

Culver CITY



CITY OF CULVER CITY, CALIFORNIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2019



City of Culver City, California



Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2019

Prepared by:
Finance Department



City of Culver City
Comprehensive Annual Financial Report
For the Year Ended June 30, 2019

Table of Contents

Page

INTRODUCTORY SECTION (Unaudited)

Table of Contents	i
Letter of Transmittal.....	v
Officials of the City of Culver City, California.....	xix
Organization Chart	xx
GFOA Certificate of Achievement for Excellence in Financial Reporting.....	xxi

FINANCIAL SECTION

Independent Auditors’ Report on Financial Statements	1
---	----------

Management’s Discussion and Analysis (Required Supplementary Information) (Unaudited)	5
--	----------

Basic Financial Statements:

Government-Wide Financial Statements:

Statement of Net Position.....	24
Statement of Activities	26

Fund Financial Statements:

Governmental Fund Financial Statements:

Balance Sheet.....	32
Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position	35
Statement of Revenues, Expenditures, and Changes in Fund Balances	36
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Government-Wide Statement of Activities and Changes in Net Position.....	38

Proprietary Fund Financial Statements:

Statement of Net Position	42
Statement of Revenues, Expenses, and Changes in Net Position	46
Statement of Cash Flows	48

Fiduciary Fund Financial Statements:

Statement of Fiduciary Net Position	55
Statement of Changes in Fiduciary Net Position	56

Index to the Notes to the Basic Financial Statements.....	59
Notes to the Basic Financial Statements	61

City of Culver City
Comprehensive Annual Financial Report
For the Year Ended June 30, 2019

Table of Contents (Continued)

	<u>Page</u>
<u>FINANCIAL SECTION (Continued)</u>	
Required Supplementary Information (Unaudited):	
Schedule of Changes in Net Pension Liabilities and Related Ratios:	
CalPERS Miscellaneous Plan.....	114
CalPERS Safety Plan.....	115
Schedule of Contributions - Pension	
CalPERS Miscellaneous Plan.....	116
CalPERS Safety Plan.....	118
Schedule of Changes in Net OPEB Liabilities and Related Ratios	120
Schedule of Contributions - OPEB	122
Budgetary Comparison Schedule:	
General Fund	124
Culver City Housing Authority Special Revenue Fund	125
Notes to the Required Supplementary Information (Unaudited)	127
Supplementary Information:	
Nonmajor Governmental Funds:	
Combining Balance Sheet	131
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	132
Nonmajor Special Revenue Funds:	
Combining Balance Sheet	136
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	140
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:	
Gas Tax Special Revenue Fund	144
Proposition A Local Return Special Revenue Fund	145
Proposition C Local Return Special Revenue Fund.....	146
Measure R Special Revenue Fund	147
Operating Grants Special Revenue Fund	148
Section 8 Housing Special Revenue Fund	149
Art in Public Places Special Revenue Fund.....	150
Community Development Special Revenue Fund	151
Community Development Block Grant (CDBG) Special Revenue Fund.....	152
Special Assessment Special Revenue Fund	153
Park Facilities Special Revenue Fund.....	154
Asset Seizure Special Revenue Fund.....	155
Parking Authority Special Revenue Fund.....	156
Safe/Clean Water Protection Special Revenue Fund.....	157
Building Surcharge Special Revenue Fund	158
Paratransit Special Revenue Fund	159
Measure M Special Revenue Fund	160

City of Culver City
Comprehensive Annual Financial Report
For the Year Ended June 30, 2019

Table of Contents (Continued)

Page

FINANCIAL SECTION (Continued)

Supplementary Information (Continued):

Major Capital Projects Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:	
Capital Improvement and Acquisition Capital Projects Fund.....	163
Nonmajor Capital Projects Funds:	
Combining Balance Sheet	164
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	165
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:	
Cooperative Projects Capital Projects Fund.....	166
Capital Improvement Grants Capital Projects Fund	167
CDBG Capital Projects Fund.....	168
Internal Service Funds:	
Combining Statement of Net Position	170
Combining Statement of Revenues, Expenses and Changes in Net Position	172
Combining Statement of Cash Flows	173
Agency Fund Financial Statements:	
Combining Statement of Agency Assets and Liabilities	177
Combining Statement of Changes in Agency Assets and Liabilities	178

**City of Culver City
Comprehensive Annual Financial Report
For the Year Ended June 30, 2019**

Table of Contents (Continued)

	<u>Page</u>
<u>STATISTICAL SECTION (Unaudited)</u>	
Description of Statistical Section Contents	181
Net Position by Component	182
Changes in Net Position	184
Program Revenues by Revenue Function	188
Fund Balances, Governmental Funds	190
Changes in Fund Balances, Governmental Funds	192
Tax Revenues by Source	194
Assessed Value and Estimated Actual Value of Taxable Property	196
Direct and Overlapping Property Tax Rates	197
Principal Property Taxpayers	198
Property Tax Levies and Collections	199
Ratios of Outstanding Debt by Type	200
Direct and Overlapping Governmental Activities Debt	201
Legal Debt Margin Information	202
Pledged-Revenue Coverage	204
Demographic and Economic Statistics	205
Principal Employers	206
Full-Time Equivalent City Government Employees by Function/Program	211
Operating Indicators by Function	212
Capital Asset Statistics by Function	214



Culver CITY

FINANCE DEPARTMENT

PHONE (310) 253-5865
FAX (310) 253-6010

9770 CULVER BOULEVARD, CULVER CITY, CALIFORNIA 90232-0507

December 30, 2019

Honorable Mayor, Members of the City Council, and Citizens of Culver City:

It is our pleasure to submit the Comprehensive Annual Financial Report (CAFR) of the City of Culver City for the fiscal year ended June 30, 2019. Responsibility for the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. In our opinion, the data is accurate in all material aspects, is presented in a manner designed to fairly set forth the financial position and results of operations of the City, and contains all disclosures necessary to enable the reader to gain an understanding of the City's financial affairs.

The financial statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP) as promulgated by the Government Accounting Standards Board (GASB). This report consists of management's representations concerning the finances of the City of Culver City, California. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by The Pun Group, LLP, a public accounting firm duly licensed and qualified to perform audits of the State and local governments within the State of California. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Culver City, California for the fiscal year ended June 30, 2019, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City of Culver City, California's financial statements for the fiscal year ended June 30, 2019, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

This CAFR is legally required by the City Charter, various bond covenants, and a number of granting agencies. The independent audit of the financial statements of the City was part of a broader, federally mandated "Single Audit" designed to meet the special needs of the Federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of Federal awards. These reports are available in the City's separately issued Single Audit Report.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of *Management's Discussion and Analysis* (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors in the financial section of the CAFR.

Profile of the City of Culver City

The City of Culver City, located on the Westside of Los Angeles County, California, was incorporated in 1917. The City Charter, which was adopted in 1947, establishes the form of government, states the powers and duties of the City Council, and establishes various City offices. The City operates under a Mayor/City Council-City Manager form of government. Under this system, the people elect a City Council of five citizens who serve a term of four years and who, in turn, elect the Mayor from among themselves. The City Council appoints the City Manager, City Attorney, Police Chief and Fire Chief. Other department heads are appointed by the City Manager.

Culver City is a full-service City, serving a resident population of 40,000 and a daytime population of approximately 60,000¹. Services provided include police, fire, general maintenance, public improvements, planning and zoning, refuse collection, municipal bus lines, park, recreation and community services, and general administrative services.

The annual budget serves as the foundation for the City financial planning and control. The City Council is required to adopt an annual budget resolution by July 1 of each fiscal year for the General Fund and Special Revenue Funds. It also adopts a project life budget for Capital Projects Funds and an operating plan for Proprietary Funds. These budgets are adopted and presented for reporting purposes on a basis consistent with generally accepted accounting principles.

The City of Culver City is also financially accountable for the legally separate Culver City Housing Authority and Culver City Parking Authority, which are blended into the City's financial statements. Pursuant to legislation enacted by the State, the Redevelopment Agency was dissolved on January 31, 2012. Additional information on all of these entities can be found in Note 1 of the Notes to the Financial Statements. Additional information on the dissolution of the Redevelopment Agency can be found in Note 16 of the Notes to the Financial Statements.

The level of appropriated budgetary control is the total adopted budget, which is defined as the total budget for all funds and divisions and includes all revisions and amendments approved by the City Council subsequent to the initial budget adoption. The City Manager may authorize transfers of appropriations within the adopted budget. Supplemental appropriations during the year must be approved by the City Council, with certain exceptions delegated to the City Manager in the Budget Resolution adopted annually by City Council. Unexpended or unencumbered appropriations lapse at the end of the fiscal year. Encumbered appropriations are reappropriated in the ensuing year's budget. The City utilizes an encumbrance accounting system, whereby commitments such as purchase orders and unperformed contracts are recorded as restricted fund balances at year-end.

¹ Population estimates from the U.S. Census Bureau; Census 2010 PHC-T-40; "Estimated Daytime Population and Employment-Residence Ratios: 2010"

History of Culver City

Native Americans of Shoshonean origins were the first known inhabitants of the area which became Culver City. Although Cabrillo anchored his small ship in the port of San Diego in 1542, it was not until the threat of aggression by other countries, that King Carlos III of Spain mandated colonization in 1769. Franciscan Father Junípero Serra began to establish the missions from San Diego northward. The natives became known as the "Gabrielino Indians", due to their proximity to the San Gabriel Mission (est. 1771). In 1781, the "Pueblo de Nuestra Señora la Reina de Los Angeles" was established by eleven families and an escort of Spanish soldiers. On a later expedition that year, a young soldado, José Manuel Machado arrived in California with his wife. Machado was destined to complete his military duty and retire with his family to the pueblo in 1797. After Machado's death in 1810, two of his sons, José Agustín and José Ygnacio joined Felipe Talamantes and his son Tomás to graze cattle to the west, where they claimed the 14,000 acre Rancho La Ballona. By 1865, when Agustín Machado, (the most prominent owner), died, Rancho La Ballona had functioned under three governments: Spain, Mexico and the United States.

The Gold Rush and the Railroad moved people west. Abbot Kinney bought the land to develop his "Venice of America" in 1904. A young man from Nebraska, named Harry H. Culver arrived in California in 1910 and went to work in real estate for I. N. Van Nuys. Culver studied the area and in 1913 announced his plans for a city halfway between the pueblo of Los Angeles and Kinney's resort of Venice. Culver envisioned a balanced community with a residential/commercial mix.

Culver, who was already enamored by the movie industry, saw Thomas Ince making a movie with "painted Indians" in canoes on La Ballona Creek. He convinced the moviemakers to move from "Inceville" north of Santa Monica to property on Washington Boulevard. This first major movie studio became a "city within a city", eventually six lots, covering more than 180 acres. What began as Ince/Triangle Studios became Goldwyn, then successively Metro Goldwyn Mayer, Lorimar and Columbia Pictures. In 1989, electronics and information technology giant Sony Corporation purchased Columbia Pictures and the site is now the global headquarters for Sony Pictures Entertainment.

Ince had moved east on Washington Boulevard to establish his second studio in 1919. After he died in 1924, this studio prospered as De Mille Studios, Selznick Studios, R.K.O., Pathe, R.K.O.-Pathe, Desilu, Culver Studios, Laird International, and most currently, The Culver Studios. It was on this studio's back lot that Atlanta was burned for "Gone with the Wind". The third major studio was Hal Roach Studios, which existed from 1919 through 1963. It was known as the "Laugh Factory of the World", where the Our Gang Comedies and Laurel and Hardy were filmed. Hence, the "Heart of Screenland" appears on our City Seal.

The first City offices where the early "Board of Trustees" met were located on the second floor of the local theater, which Harry Culver moved to build his six-story Hunt Hotel in 1924. "City Hall" relocated to Van Buren Place until 1928 when the New City Hall was dedicated at 9770 Culver Boulevard. That structure made way for another new City Hall that was completed in 1995. Through a series of more than 40 annexations over the years, Culver City grew from 1.2 to 5.13 square miles.

In the twenties, Culver City was known for its nightspots like Fatty Arbuckle's Plantation Cafe and Frank Sebastian's Cotton Club. Western Stove on Hays (National) marked the beginning of industry in 1922. Despite the Depression, building continued with endeavors like Helms Bakery which supplied foodstuffs for the 1932 Olympics in Los Angeles. The first Industrial tract, the Hayden Tract, became a reality in the forties. In the late forties, Culver City became a Charter City with a Unified School District. Our Junior and Senior High Schools were built to complement what eventually numbered eight elementary schools (presently there are five.) Hughes Aircraft located nearby and became a major employer of Culver City residents, like Helms and the studios. In 1950, the Veterans' Memorial Building was completed, Culver Center was built, car dealerships lined Washington Boulevard and the Fiesta La Ballona celebrated the Spanish heritage of the area beginning in 1951. In the fall of 1975, Fox Hills Mall was completed as the first major Redevelopment project. The Filmland Corporate Center, Meralta Plaza and the beginnings of Corporate Pointe were projects of the 80's.

Redevelopment efforts continued in Downtown Culver City in the early 2000's. With the redevelopment of the Helms and Beacon Laundry buildings into the Helms Furniture District, new theatres in the center of the City including the redevelopment of the Culver Theatre into the Kirk Douglas Theatre, the 12 screen Arclight Theater Complex and the Actor's Gang at the Ivy Substation, a number of highly rated new restaurants, a thriving arts district on the eastside and development of the western portion of the City, Culver City continues to move forward. Redevelopment efforts were significantly thwarted with the elimination of redevelopment agencies throughout the State of California. In December 2013, the Successor Agency to the Culver City Redevelopment Agency (Successor Agency) received a 'finding of completion' from the State's Department of Finance (DOF). This allowed the Successor Agency to submit a Long Range Property Management Plan (LRPMP) to the DOF that details how the former Redevelopment Agency properties will be disposed of. The LRPMP was approved in March of 2014. As a result, significant projects such as the Culver Steps (formerly referred to as "Parcel B"), Culver Public Market and the Ivy Station Complex are now underway.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Culver City, California operates.

Nationally, reports continue to demonstrate signs of continued modest economic growth. Gross domestic product has continued steady growth throughout the year, the U.S. economy grew modestly in the third quarter of 2019, the U.S. dollar remains in a strong position and unemployment rate decreased in Nov 2019. The Federal Reserve has reversed nearly all of 2018's rate increases in 2019 cutting interest rates for the third time in October. This interest rate change is anticipated to be an added factor in California's shifting housing market. Property values increased steadily, though housing sales declined modestly in the year. The political climate continues to pose uncertainty on the national economic outlook due in part to contentious federal trade policies, and major projections have the economy growing more slowly within the next year or two. We will be cautiously monitoring these critical political decisions and their effect on our national, state and local economies.

Local Economy

Culver City has a relatively diverse and strong economy. The City's business community is comprised of a diverse collection of businesses ranging from traditional retail and manufacturing businesses to a major film studio. Mainstay firms such as Costco, Westfield-Culver City Mall and Sony Pictures Entertainment occupy a traditional niche as large institutional property owners, tax producers and employers. Additions to the business community also include Amazon, which has taken occupancy at the Culver Steps, as well as Apple which has occupied creative office space at the corner of Washington and National Boulevards.

The dissolution of the Redevelopment Agency was effective on January 31, 2012, at which time all of the assets held by the former Redevelopment Agency were transferred to the Successor Agency to the Culver City Redevelopment Agency. Pursuant to the Dissolution bill, the City of Culver City elected to serve as the Successor Agency charged with winding down the affairs of the Redevelopment Agency. The Successor Agency will only receive property tax increment to repay debt and enforceable obligations that were incurred prior to June 26, 2011. Any property tax increment in excess of the former Agency's enforceable obligations will be disbursed to taxing entities.

Major Initiatives and Improvements for Fiscal Year 2019-2020

While several years past, it is of importance to note during the most recent recessionary period, City management took a number of steps to address the City's fiscal challenges. Many of these improvements persist in the City's current financial structure. Initiatives included increasing cost recovery, utilizing assessment districts, eliminating positions, and renegotiating labor agreements. Despite efforts to balance the budget without significantly impacting services, an ongoing structural deficit still existed. To address the structural deficit, the City put forth three revenue measures for consideration by the electorate. An increase of the City's Transient Occupancy Tax from 12% to 14% was approved by voters in April 2012. More significantly, a half-cent transaction and use tax was placed on the ballot (Measure Y) in November 2012. Residents overwhelmingly approved the transaction and use tax, which became effective on April 1, 2013 and raised approximately \$9.5 million during FY2018/2019 to solidify the City's financial position. Measure Y is set to automatically expire in 2023 if not extended by voters. This year City Council approved the ballot measure to extend and amend the expiration date from March 31, 2023 to March 31, 2033 for inclusion in the special election to be held on March 3, 2020. An additional quarter-cent sales tax (Measure C) was approved in November 6, 2018, which went into effect beginning April 1, 2019 and is expected to generate an estimated \$5 million per year.

The City plans to continue taking steps to become more efficient, and ensure that operating revenues cover operating expenditures.

The budget contains major work plans for each department and a citywide capital project plan to address the highest priorities of the community and the goals of the City Council. Although the City does have fiscal issues that will need to be addressed, following are major work programs and community reinvestment and improvement projects that received funding in the FY 2018/2019 adopted budget:

1. Community Service Improvements
 - a. Continue installation of the Real Time Motorist Information System (RTMIS) in the parking structures in the down- town area of Culver City.
 - b. Continue Washington and Culver Pedestrian safety improvements with high visibility crosswalks and corner curb extensions.
 - c. Continue realignment of Culver Boulevard from Commonwealth Ave to Elenda Street.
 - d. Complete replacing existing high voltage series circuit streetlights to low voltage parallel circuit streetlights or replace with energy efficient light fixtures
2. Community Reinvestment
 - a. Continue negotiations with enterprise businesses within the City for dark fiber leases, customer leases, and Internet Service Providers to enhance broadband service
 - b. Implement a Wi-Fi strategy leveraging the municipal fiber infrastructure to extend the City's Wi-Fi to municipal locations
 - c. Continue the construction of Bankfield Pump Station
3. Internal Operational Improvements
 - a. Complete implementation of replacement for existing timekeeping software
 - b. Continue to work with consultant to complete review of City cash handling, enterprise risk assessment, grant management, fleet management and internal control.

All of the City's operations, including the community service improvements, community reinvestment, and internal operational improvements identified above, are funded by various taxes, fees and fines levied on consumers, residents, businesses, and developers operating within the City.

A brief historical discussion of the City's major revenue sources is contained in the following section.

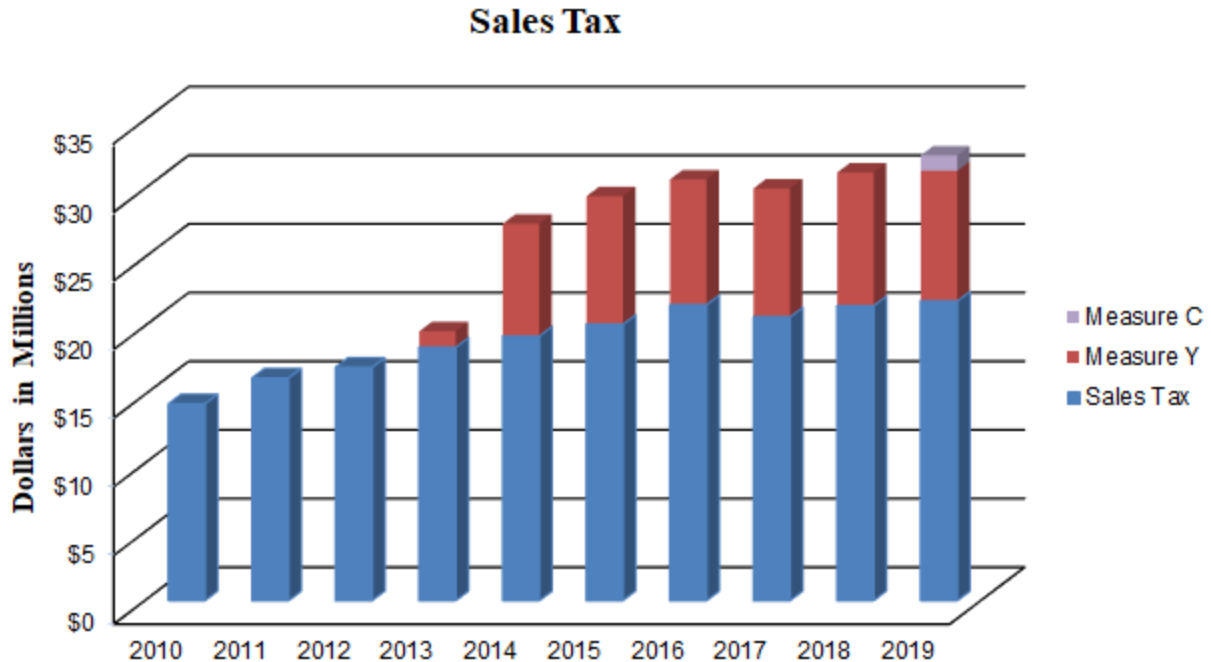
Major General Fund Revenues

Major sources of General Fund revenue for the City include Sales Tax, Business Tax, Utility User Tax (UUT), Property Tax and Transient Occupancy Tax (TOT).

Sales Tax

Sales Tax is Culver City's single largest revenue source. The State of California imposes a 10.25% sales and use tax on all taxable sales in the City, of which the City receives 1.0% of the transactions subject to the sales and use tax. Due to its reliance on consumer spending, this revenue source is highly volatile. Despite the City's diverse economic base, the City's sales taxes are the revenue source most vulnerable to recessionary conditions, as evidenced in FY2009/2010.

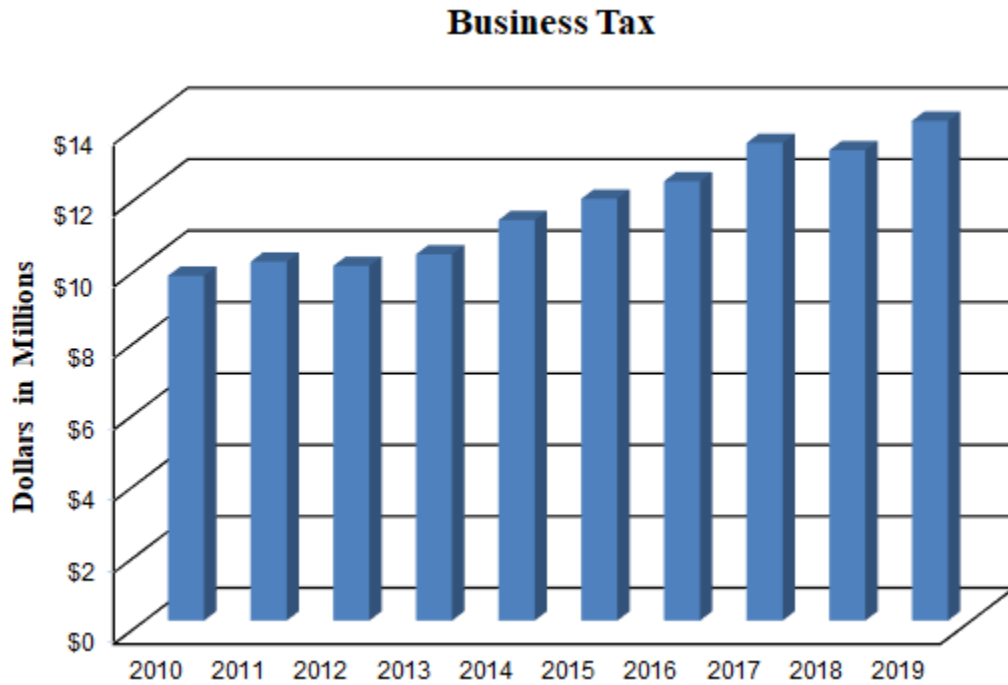
Sales tax accounted for 18.2% of General Fund revenue for FY2018/2019, closing the year at \$21.8 million. With Measure Y taking effect in April 2013, FY2018/2019 was the sixth full year of the local sales tax measure with receipts totaling \$9.48 million, accounting for 7.9% of General Fund revenue. With Measure C taking effect in April 2019, fiscal year 2018-19 with receipts totaling \$1.12 million, accounting for 0.9% of General Fund revenue.



Business Tax

Business Tax revenue accounts for approximately 11.7 % of the General Fund revenue. Annually, all entities conducting business in Culver City are required to pay business taxes. Like Sales Tax, Business Tax revenue is highly dependent on national and regional economic forces. Consequently, Business Tax revenue is relatively volatile. This tax dipped in FY2009/2010 due to the recession, but has since improved and now exceeds pre-recession totals. Business Tax revenue is based on a businesses' gross receipts, which is a measure of the amount of business they do in the City.

FY 2018/2019 Business Tax receipts, including penalties, were \$13.99 million, a modest incline of 6.3% from the previous fiscal year.

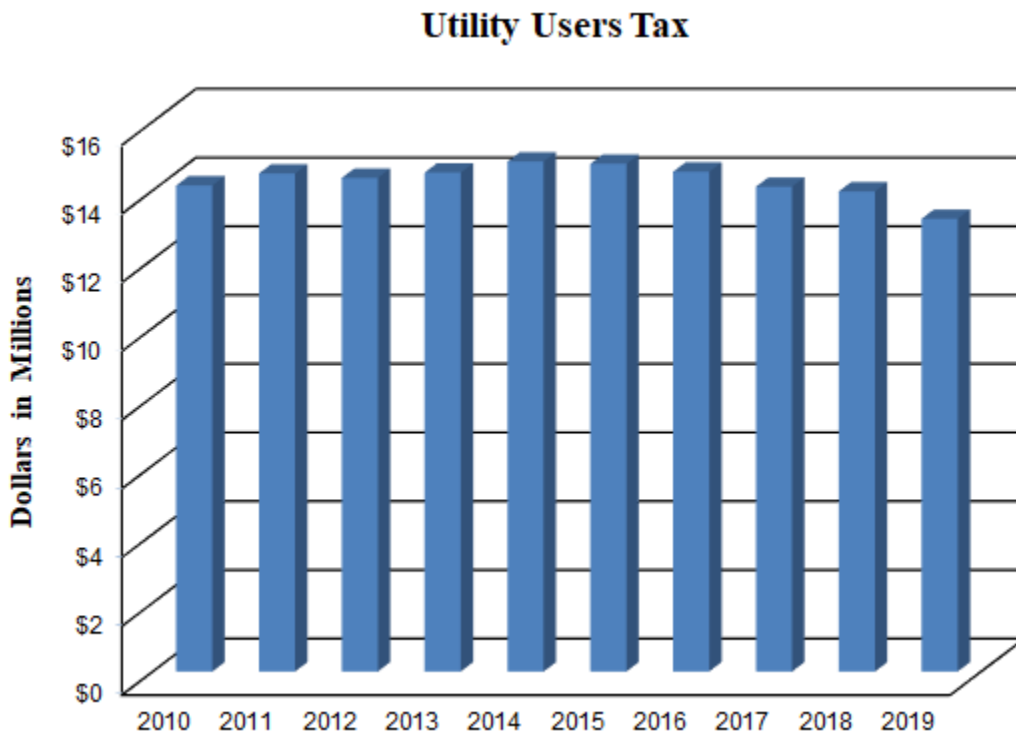


Utility User Tax

Utility User Tax receipts make up approximately 11.0% of the General Fund revenue. The City charges Utility User Tax (UUT) on electricity, water, telephone, cable, and natural gas utilities. The current UUT rate is 9% for prepaid wireless and 11% for all other utility categories. Economic fluctuations have less impact on UUTs because users still need electricity, natural gas, water, etc. However, after years of consistent growth, UUT revenues have started to gradually decline over the last five years.

UUT receipts for FY2018/2019 were \$13.17 million, a 5.7% decline from the prior fiscal year. Gas and Water UUT revenues increased slightly, while Electricity revenue declined as solar power and energy conservation initiatives grow, Cable and Telecommunications UUT revenue declined due to land lines on the sharp decline and exponential increase in cell phones with competitive cell phone plans. Prepaid wireless telephone services continue to be a growing trend in the industry. Previously, taxation of these services was uneven and difficult to enforce. In January 2016, legislation took effect to ensure more equal taxation of these services. As wireless users transition to prepaid services, the lesser rate of 9% is applied which impacts overall UUT revenue.

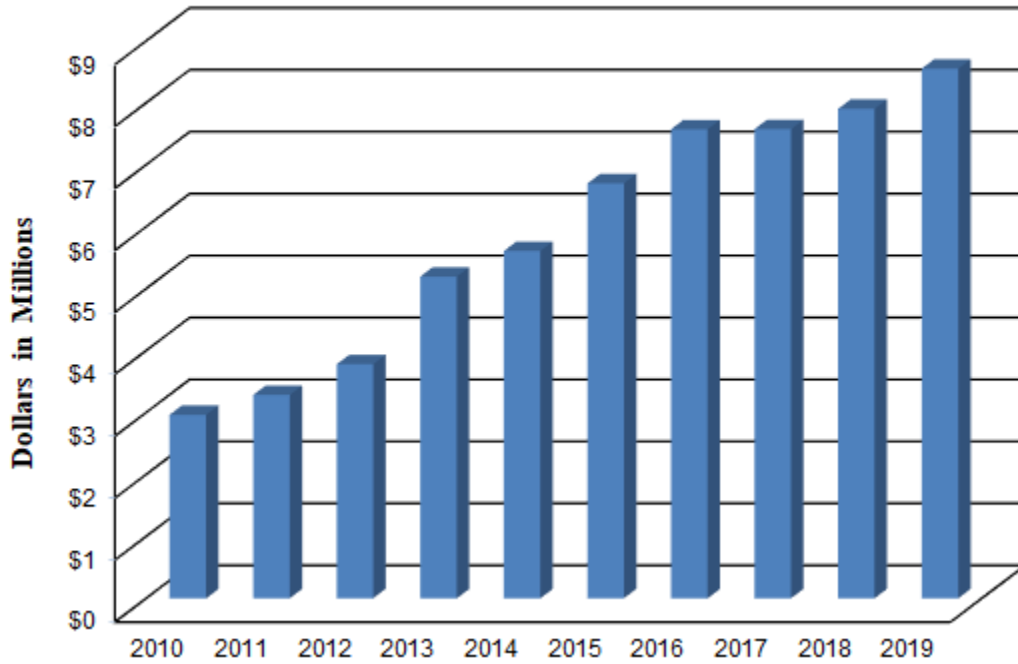
Additional declines in UUT are anticipated in future years as technologies continue to evolve and become more cost-effective, resulting in more people ‘cutting the cord’ to cable services. This trend is expected to continue to affect future utility consumption trends.



Transient Occupancy Tax

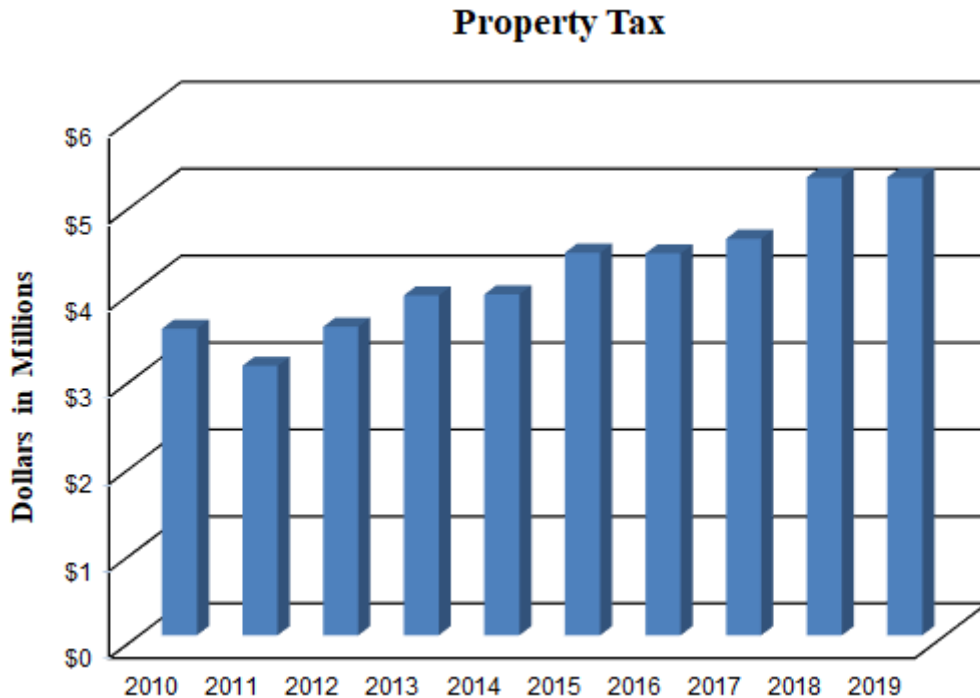
Transient Occupancy Tax is levied on occupied hotel/motel rooms at a rate of 14.0%. FY2018/2019 TOT revenue improved an additional 8.2% over the prior year, increasing to a new record total of \$8.55 million.

Transient Occupancy Tax



Property Tax

Culver City is a “low property tax” city and receives only 10.46% of the 1.0% property tax rate paid by property owners. Consequently, property taxes only account for about 3.5% to 4.5% of General Fund revenues, on average. Continued growth in this revenue is anticipated to continue due to improvements to the City’s assessed valuation, which increased by 6.89% over the prior year.

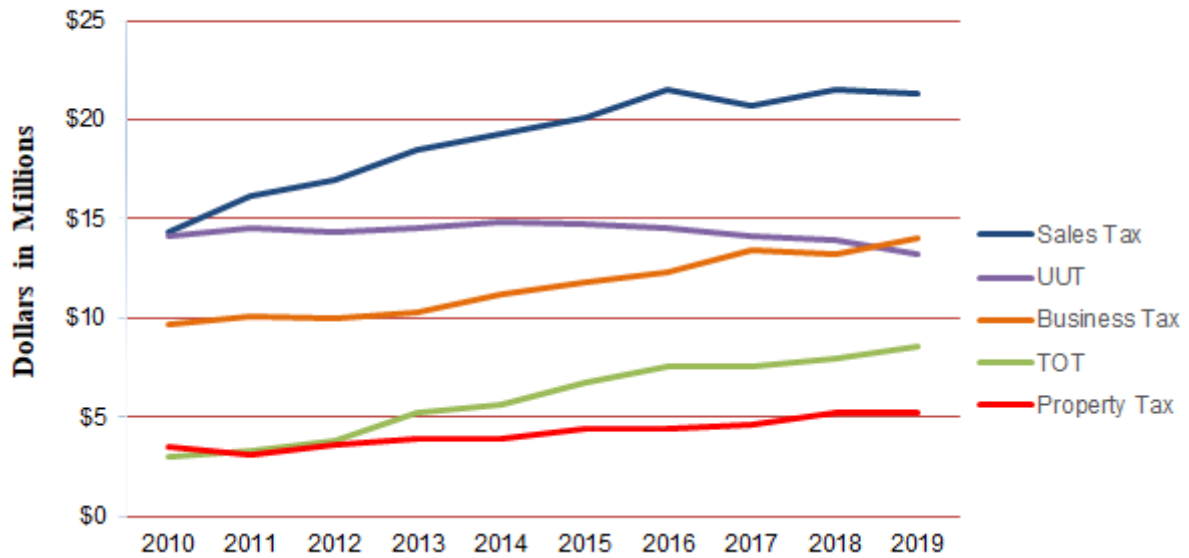


Property Tax receipts ended FY2018/2019 at \$5.27 million, an improvement of 0.01% over prior fiscal year revenues. Additionally, the City received \$4.59 million in former tax increment of the Redevelopment Agency. This funding is from additional property tax increment received when the amount of property tax increment collected in the former Redevelopment Agency project areas exceeds the amount of enforceable obligations due during a 6-month period. Going forward, the amount available will vary widely and, therefore, should be treated as one-time funds until the wind-down of the former Agency is substantially complete.

Total Major Tax Revenues

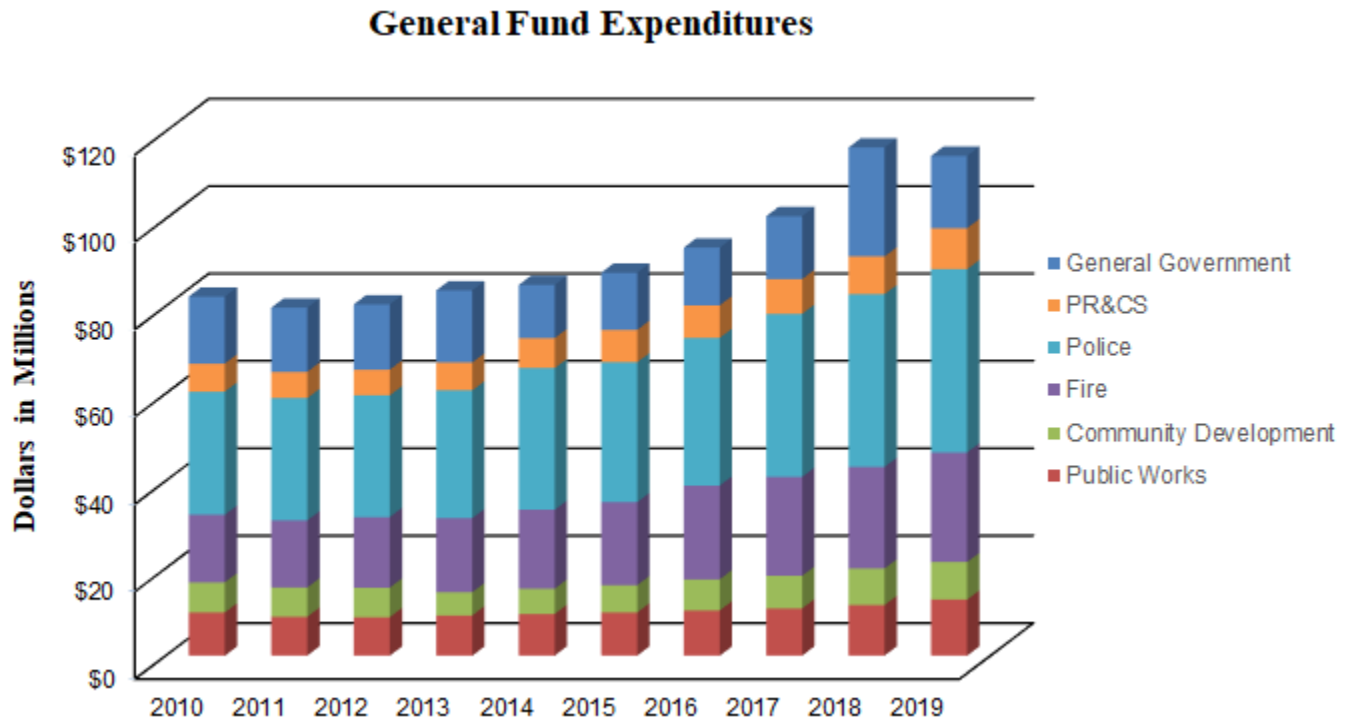
From the chart below, the correlation between the economy and the City's major tax revenues is evident. The sharp rise in sales tax revenue in FY2012/2013 is due to the inclusion of one-time increases from State Sales Triple-Flip proceeds, which concluded in FY2015/2016. Utility users tax revenue continue to trend downward, in large part due to declines in Telecommunications UUTs from changing technologies. Transient occupancy taxes have demonstrate a steady upward trend. Property taxes have been historically level, with some modest increases in the past years. All other revenue tax revenue sources, however, have shown improvement since FY2010/2011 with growth anticipated to be slow but relatively steady into the future.

Top Five Tax Revenues



General Fund Expenditures

Over 80% of the City's General Fund expenditures are personnel related costs, with Police and Fire accounting for over 50% of the overall General Fund expenditures. Like most municipalities, the City grapples with rising retirement, medical, and workers' compensation costs on an annual basis.



General Fund Reserve Percentage

Perhaps the best measure of the City's effectiveness in weathering an economic downturn and building sustained growth for the future is its ability to build a fund reserve. It is a policy of the City to maintain a general operating reserve of, at a minimum, 30% of projected General Fund operating expenditures for each fiscal year (excluding debt service, fund transfers, and encumbered funds). These reserves are designed to be used in the event of a significant financial emergency, as defined in the City's financial policies.

The City has been able to maintain a relatively healthy reserve due in large part to one-time revenues from major developments occurring within the city, and conservative budgeting practices by City Council and staff. While modest amounts of reserves were used to support the budget during the recession, the City has been able to bolster its General Fund reserves in each of the last several fiscal years.

As of June 30, 2019, the City has established committed General Fund balances of \$36.2 million for contingencies/emergencies, \$11.1 million for future facility improvements / replacements and \$1.6 million for recreational facility improvements. Beyond these amounts, the City has an additional \$20.7 million in unassigned General Fund balance. Monies in excess of the required reserves are used to fund one-time projects and programs or reduce long-term liabilities, and are most often transferred to the City's capital improvement fund to fund much needed capital projects.

Long-Term Financial Planning

A General Fund Financial Forecast was developed and is presented in conjunction with the mid-year budget review. The Forecast is updated and included in the Adopted Budget. The term of the current Forecast stretches to FY2028/2029, to show the impact of a Measure Y sunset. This is a valuable financial management tool, especially in challenging financial times, to assist the City Council in setting priorities and educate the community on the long term state of the City's finances.

Over the past several years, the City's long-term financial plan has consistently illustrated the mounting fiscal pressures created primarily by increasing costs required to pay down unfunded pension liabilities. With significant increases in required employer contributions for pension being phased in by the California Public Employee's Retirement System, the City continues to take a conservative approach towards new spending while concurrently exploring additional revenue opportunities. Residents also voted in support of an additional quarter-cent sales tax (Measure C) in November 2018. Measure C went into effect April 1, 2019 and is expected to generate an estimated \$5 million per year.

The newly adopted quarter-cent sales taxes (Measure C) in conjunction with the local half-percent sales tax (Measure Y) result in a forecast moving the right direction towards closing the projected fiscal gap. Nonetheless, there are additional policy decisions that must be further deliberated for the City's long-term financial planning. These steps, however, must include the consideration that Measure Y is set to expire automatically expire in March of 2023 if not extended by voters. This year City Council approved the ballot measure to extend and amend the expiration date from March 31, 2023 to March 31, 2033 for inclusion in the special election to be held on March 3, 2020. The City will need to be mindful of what the forecast predicts as it approaches this date, and take necessary actions to ensure continued financial stability.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Culver City for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2018. This was the thirty-fourth consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

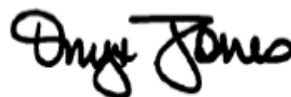
The Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate. This report was made possible by the talented and highly dedicated services of the staff of the Finance Department. Each member of the department has our sincere appreciation for the contribution made in the preparation of this report. This report was only possible through perseverance and teamwork.

In closing, without the leadership and guidance of the City Council, the preparation of this report would not have been possible.

Respectfully,



John Nachbar
City Manager



Onyx Jones
Chief Financial Officer

This page intentionally left blank.



City of Culver City City Officials

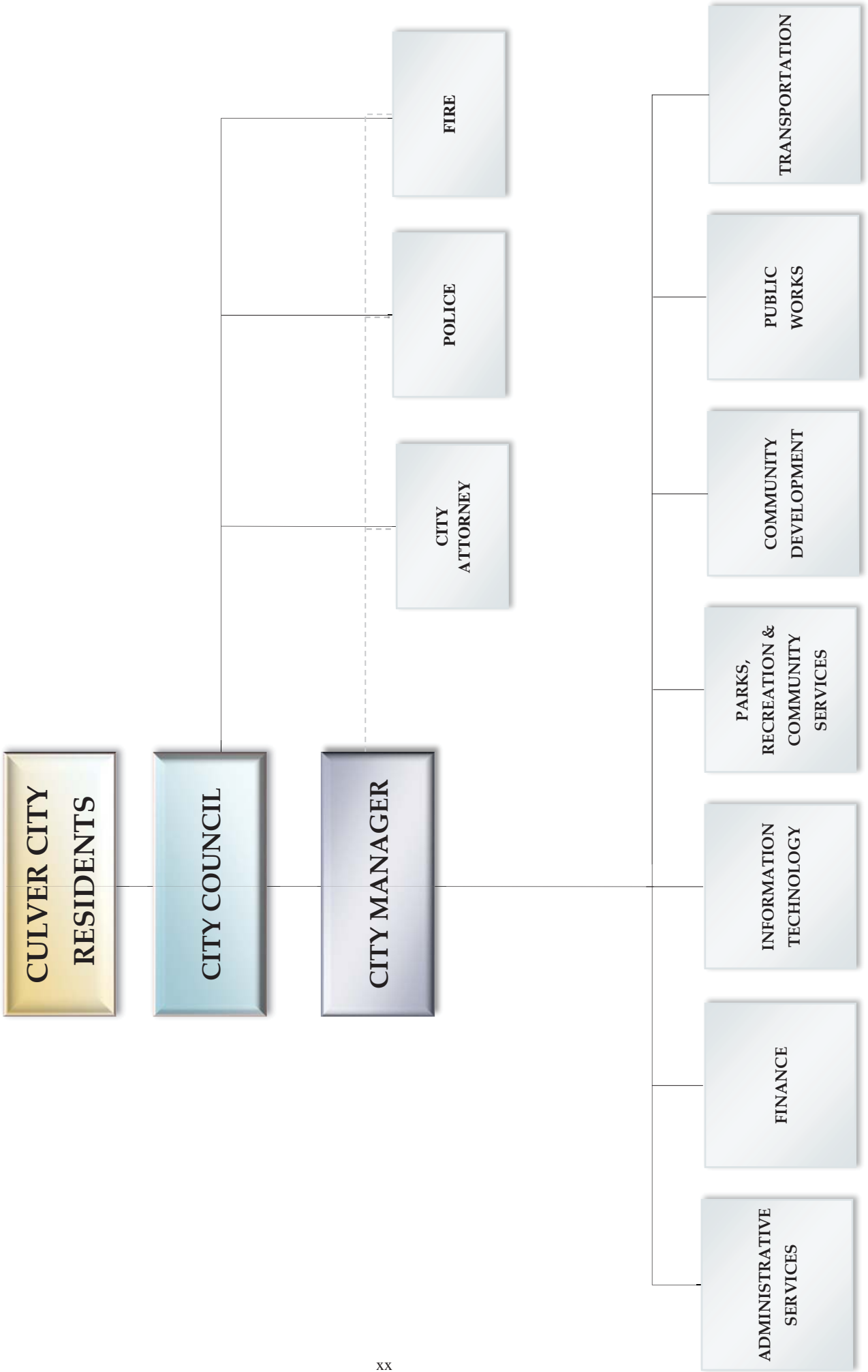
City Council

Meghan Sahli-Wells, Mayor
Göran Eriksson, Vice Mayor
Harden Alexander Fisch
Daniel Wayne Lee
Thomas Aujero Small

Administration

John Nachbar	City Manager
Serena Wright	Assistant City Manager
Jesse Mays	Assistant City Manager
Onyx Jones	Chief Financial Officer
Carol Schwab	City Attorney
Sol Blumenfeld	Community Development Director
David White	Fire Chief
Michele Williams	Information Technology
Corey Lakin	Parks, Recreation & Community Services Director
Scott Bixby	Police Chief
Charles Herbertson	Public Works Director
Rolando Cruz	Transportation Director

CULVER CITY OVERVIEW ORGANIZATIONAL CHART FISCAL YEAR 2018-19





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Culver City
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morill

Executive Director/CEO

This page intentionally left blank.



INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and the Members of the City Council
of the City of Culver City
Culver City, California

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Culver City, California (the "City") as of and for the year ended June 30, 2019, and the related notes to the basic financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2019, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Budgetary Comparison Schedules – General Fund and Culver City Housing Authority Special Revenue Fund, the Schedule of Changes in Net Pension Liability and Related Ratios, the Schedule of Contributions – Pension, the Schedules of Changes in OPEB Liability and Related Ratios, and the Schedule of Contributions - OPEB on pages 5 to 19 and 114 to 123 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Required Supplementary Information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The Introductory Section, Combining and Individual Nonmajor Fund Financial Statements, the Schedules of Revenue, Expenditures, and Changes in Fund Balances – Budget and Actual, and Statistical Section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Combining and Individual Nonmajor Fund Financial Statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Combining and Individual Nonmajor Fund Financial Statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Introductory and Statistical Sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

To the Honorable Mayor and the Members of the City Council
of the City of Culver City
Culver City, California
Page 3

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2019, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

The PwC Group, LLP

Santa Ana, California
December 30, 2019

This page intentionally left blank.

City of Culver City
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2019

As management of the City of Culver City (City), we offer readers of the City's basic financial statements this overview and analysis of the financial activities of the City for the year ended June 30, 2019. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our transmittal letter, which is found on pages v-xviii of this report. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

FINANCIAL HIGHLIGHTS

- The City's government-wide assets and deferred outflows of resources exceeded its liabilities and deferred inflows at the close of the 2018-19 fiscal year by \$144.1 million (*net position*). Of this amount, \$247.9 million is net investment in capital assets, \$67.2 million is restricted and (\$171.0) million is unrestricted. The City's unrestricted net position was negatively impacted with the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which required the City to record its unfunded pension liabilities for pension plans and other postemployment benefits (OPEB) in which it participates. More information on the City's pension and OPEB plans can be found in Notes 10 and 11 on pages 90 – 102 of this report.
- The City's total net position, including all activities, increased by \$14.7 million (\$5.6 million current year operations and \$9.1 million prior period adjustments) in 2018-19 fiscal year. Of this increase in net position, \$16.2 million (\$6.2 million current year operations and \$10 million prior period adjustments) was from governmental activities and a \$1.49 million decrease (decreases of \$0.54 million current year operations and \$0.95 million prior period adjustments) from business-type activities.
- As of June 30, 2019, the City's governmental funds reported combined ending fund balances of \$184.6 million. Approximately 10.1% of the current year amount or \$18.7 million is available for spending at the City's discretion.
- At the end of the 2018-19 fiscal year, unrestricted fund balance (*the total of committed, assigned and unassigned components of fund balance*) for the General Fund was \$69.7 million, or approximately 60.9% of total General Fund expenditures of \$114.4 million. Additional information on the City's General Fund balances is located in Note 14.

OVERVIEW OF THE FINANCIAL STATEMENTS

The City's basic financial statements are comprised of three components: 1) Government-Wide Financial Statements, 2) Fund Financial Statements, and 3) Notes to the Basic Financial Statements. Each of these sections is discussed below. This report also contains other required and supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The *Government-Wide Financial Statements* are designed to present financial information about the City as a whole in a manner similar to the private sector, including the use of accrual-based accounting to recognize its revenues and expenses. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely primarily on user fees and charges to fund their operations. Governmental activities include those traditionally associated with local government, such as public safety (fire and police), community development, public works, parks and recreation, and general government (administrative) functions. Business-type activities include the City's utility operations (Sanitation and Wastewater), Municipal Bus Lines and Municipal Fiber Network.

City of Culver City
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2019

The *Statement of Net Position* presents information on all of the City's assets, including capital assets, and all related current liabilities and long-term obligations. The difference between total assets and total liabilities is presented as *net position*, which serves as a measure of the financial health of the City. Over time, an increase in net position generally indicates that the financial health of the City is improving.

The *Statement of Activities* presents information showing how the government's net position changed during the most recent fiscal year. Decreases in net position are presented as "Expenses"; increases in net position are presented as "Revenues". Revenues directly attributable to a particular function within the City are presented as "Program Revenues". Tax revenues, including those restricted to a particular program function, are reported as "General Revenues" unless specifically required to be reported as program revenues (i.e. gas and transportation taxes).

All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (such as, revenues pertaining to uncollected taxes, or expenses pertaining to earned, but unused, vacation and sick leave).

The government-wide financial statements include not only the City of Culver City, California (known as the primary government), but also three legally separate component units: The Parking Authority, the Housing Authority, and the Public Financing Authority. The governing board of each of these entities is comprised entirely of members of the City Council, and their financial activity has been included as an integral part of the primary government. The Successor Agency is reported as a Private Purpose Trust Fund in the Fiduciary Fund statements.

The government-wide financial statements are located on pages 24-27 of this report.

Fund Financial Statements

The City, like other state and local governments, uses fund accounting for recording its financial activities. In general, fund accounting provides a mechanism to separately account for a variety of different funding sources and enables the City to demonstrate compliance with legal and/or contractual requirements that may be associated with these funds. Thus, the accompanying fund financial statements present individual funds organized into one of three categories: Governmental, Proprietary, and Fiduciary Funds. Note that the fund financial statements only present information on the most significant (i.e. "major") funds on the face of the statements. Nonmajor funds are grouped and presented in total on the face of the statements. In addition, the fund financial statements include a schedule that reconciles the fund financial statements to the government-wide financial statements. This is designed to explain the differences created by the integrated approach to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds - Most of the City's basic services are reported in governmental funds. Governmental funds include the General Fund, Special Revenue, Capital Projects, and Debt Service funds. In the fund financial statements, all governmental fund types are reported using the modified accrual basis of accounting, whereby revenues are generally recognized when measurable and available to finance current operating costs, and expenditures are recognized when the related liability is incurred. In addition, the focus is on inflow (revenues) and outflow (expenditures) of the current period. As such, the balance sheets of governmental funds are intended to present only short-term assets and liabilities.

The fund financial statements include separate columns, by fund type, for all "major" governmental funds of the City. All "nonmajor" governmental funds are consolidated into a single column labeled "other governmental funds." The details of these funds are included in the Combining and Individual Fund Statements and schedules located in the supplementary information section of this report on pages 131-168.

City of Culver City
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2019

Since the focus of governmental funds is narrower than that of government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing this comparison, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances, provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*. The City adopts an annual appropriated budget for its funds. A budgetary comparison is provided for all of the City's Governmental Funds to demonstrate compliance with this budget.

Proprietary funds – Proprietary funds are used to account for services provided to external customers or other City departments and funds that are primarily funded from user fees and charges. Proprietary funds use the accrual basis of accounting and measure the balance and change in *total economic* resources. Accordingly, balance sheets of proprietary funds include all assets and liabilities, including long-term receivables, capital assets, and long-term liabilities. The basis of accounting and measurement focus used to prepare proprietary fund statements is the same that is used to prepare the government-wide statements. Thus, proprietary fund statements provide the same, but more detailed, information about these funds, which are included in the “Business-Type Activity” column of the government-wide statements.

The City maintains two different types of proprietary funds: *Enterprise and Internal Service*.

- **Enterprise funds** are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its Refuse Disposal, Municipal Bus Lines, Sewer, and Municipal Fiber Network Funds, all of which are considered major funds.
- **Internal Service funds** are used by the City to account for its intra-city services: equipment replacement, fleet maintenance, risk management, and central stores.

Because internal service funds predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements. Internal service funds are combined into a single, aggregated presentation in the proprietary funds financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* in the supplementary information section.

Fiduciary funds are used to account for resources held by the City as trustee on behalf of other agencies or individuals. Fiduciary funds are *not* presented in the accompanying government-wide financial statements since the resources of those funds are *not* available to support the City's programs. The basis of accounting used for the fiduciary funds is similar to what is used for the proprietary funds. The fiduciary funds financial statements are located in the basic financial statements section of this report.

The City uses private-purpose trust funds to account for the activities of the Successor Agency to the Culver City Redevelopment Agency. Additionally, two small agency funds are maintained to account for assets and liabilities where the City serves as custodian.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements and are located on pages 57 through 111.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning budgetary comparison schedules for the General Fund and major special revenue funds in the Required Supplementary Information section of this report and are located on pages 124 through 125.

City of Culver City
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2019

The combining statements, referred to earlier in connection with non-major governmental funds, internal service funds, and fiduciary funds are presented following the required supplementary information on pensions.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

As noted earlier, net position may serve as a useful indicator of a government's financial position over time. As shown in the table below, the City's assets and deferred outflows of resources exceed liabilities and deferred inflows of resources by \$144.1 million at June 30, 2019.

Approximately 172.0% of the City's net position is attributable to its investment in capital assets (e.g., land, buildings, infrastructure, machinery, and equipment), less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens and consequently, these assets are *not* available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets alone may not be used to liquidate these liabilities.

Approximately 46.7% of the City's net position is subject to restrictions imposed by external parties, and their use is determined by those restrictions and contractual agreements. The remaining amount may be used by the City to meet ongoing operations, subject to applicable federal and state laws and regulations. The significant liabilities recorded for pensions and OPEB with the implementation of GASB 68 and 75 result in a negative unrestricted net position of the City of (\$171.0) million.

City of Culver City's Net Position
As of June 30, 2019 and 2018
(In Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Assets:						
Current and other assets	\$ 216,259	\$ 203,516	\$ 28,329	\$ 28,215	\$ 244,588	\$ 231,731
Capital assets	174,898	162,634	86,209	85,927	261,107	248,561
Total assets	391,157	366,150	114,538	114,142	505,695	480,292
Deferred Outflows of Resources:						
Pension and OPEB related amounts	38,867	48,597	4,853	7,034	43,720	55,631
Total deferred outflows of resources	38,867	48,597	4,853	7,034	43,720	55,631
Liabilities:						
Current and other liabilities	30,652	24,683	8,565	6,127	39,217	30,810
Long-term liabilities	299,730	303,911	52,007	54,269	351,737	358,180
	330,382	328,594	60,572	60,396	390,954	388,990
Deferred Inflows of Resources:						
Pension and OPEB related amounts	12,175	14,856	2,162	2,631	14,337	17,487
Total deferred inflows of resources	12,175	14,856	2,162	2,631	14,337	17,487
Net Position:						
Net investment in capital assets	174,898	162,634	72,975	71,581	247,873	234,215
Restricted	65,587	70,970	1,663	1,658	67,250	72,628
Unrestricted	(153,018)	(162,306)	(17,981)	(15,090)	(170,999)	(177,396)
Total net position	\$ 87,467	\$ 71,298	\$ 56,657	\$ 58,149	\$144,124	\$129,447

City of Culver City
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2019

Statement of Activities

As discussed earlier, the Statement of Net Position provides a measure of the financial health of an entity at a specific date in time (i.e. year-end). In contrast, the Statement of Activities provides details of how net position changed from the prior fiscal year. Generally, it indicates whether the financial health of the City as a whole is better at June 30, 2019, in relation to a year earlier. For the fiscal year ended June 30, 2019, total net position increased by \$14.7 million (\$5.6 million current year operations and \$9.1 million prior period adjustments).

The following table summarizes the Statement of Activities for Governmental Activities and Business-Type Activities for the fiscal year ended June 30, 2019, with comparative totals for the fiscal year ended June 30, 2018.

City of Culver City's Changes in Net Position
As of June 30, 2019 and 2018
(In Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program revenues:						
Charges for services	\$35,567	\$36,446	\$29,976	\$27,410	\$65,543	\$63,856
Operating grants and contributions	6,660	5,936	20,012	19,330	26,672	25,266
Capital grants and contributions	2,669	4,660	510	1,272	3,179	5,932
General revenues:						
Taxes	85,690	83,167	-	-	85,690	83,167
Investment earnings	3,231	761	807	114	4,038	875
Other	6,626	5,353	2,200	392	8,826	5,745
Total revenues	140,443	136,323	53,505	48,518	193,948	184,841
Expenses:						
General government	17,863	26,855	-	-	17,863	26,855
Parks, recreation and community services	11,838	11,502	-	-	11,838	11,502
Police	45,772	45,463	-	-	45,772	45,463
Fire	27,136	26,765	-	-	27,136	26,765
Community development	13,650	13,251	-	-	13,650	13,251
Public works	15,572	14,133	-	-	15,572	14,133
Transit	970	1,009	-	-	970	1,009
Refuse disposal	-	-	15,906	14,812	15,906	14,812
Municipal bus lines	-	-	27,317	27,546	27,317	27,546
Sewer enterprise	-	-	9,583	8,145	9,583	8,145
Municipal fiber network	-	-	2,714	1,721	2,714	1,721
Total expenses	132,801	138,978	55,520	52,224	188,321	191,202
Excess (deficiency) before transfers	7,642	(2,655)	(2,015)	(3,706)	5,627	(6,361)
Transfers	(1,473)	(1,151)	1,473	1,151	-	-
Change in net position	6,169	(3,806)	(542)	(2,555)	5,627	(6,361)
Net position - beginning of year	71,298	75,104	58,149	60,704	129,447	135,808
Restated due to prior period adjustments (Note 17):						
Cash and Investments - Section 115 Trust	10,000	-	-	-	10,000	-
Unearned revenue - Municipal Bus Lines	-	-	(950)	-	(950)	-
Net position - end of year	\$ 87,467	\$ 71,298	\$ 56,657	\$ 58,149	\$144,124	\$129,447

City of Culver City
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2019

Governmental Activities

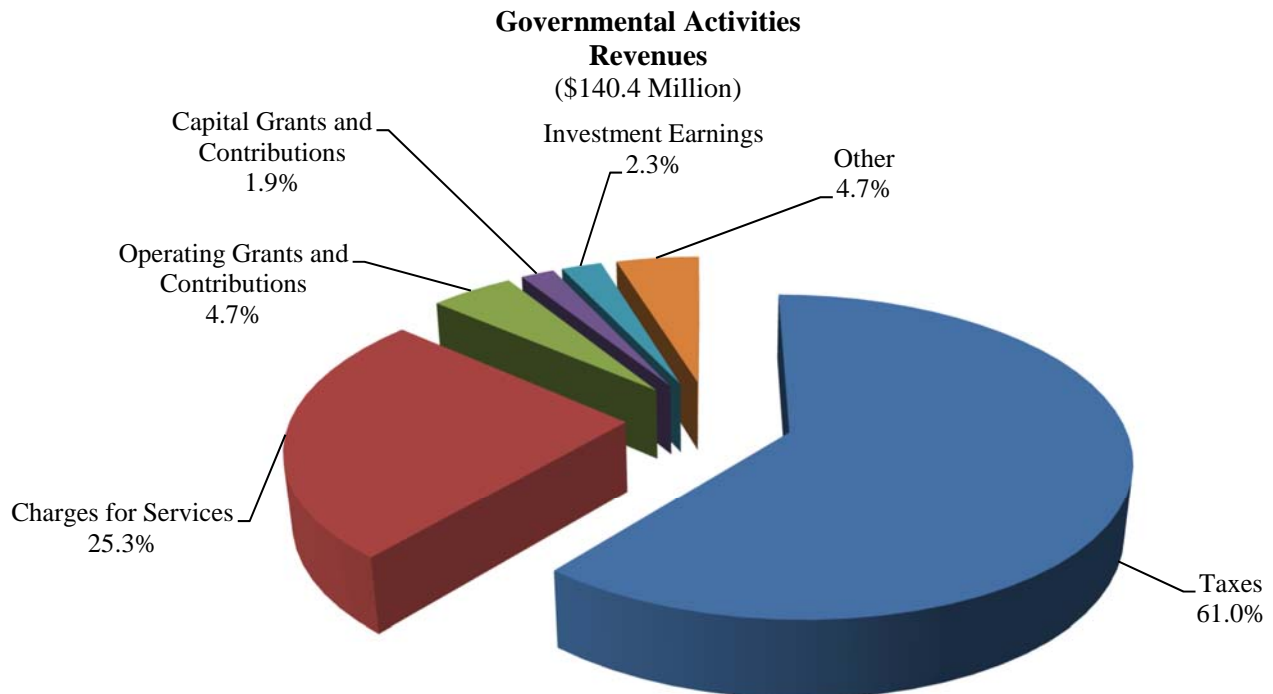
The City's net position from governmental activities increased approximately \$16.2 million (\$6.2 million current year operations and \$10.0 million prior period adjustments) accounting for 110.2% of the total increase in the net position of the City. Key elements of this reduction are a combination of factors highlighted below.

Revenue Highlights

Total revenues of governmental activities were \$140.4 million. The largest component of total revenue is taxes at \$85.7 million, making up 61.0% of total revenues. This is consistent with the nature and purpose of governmental funds, particularly in the General Fund, where programs are largely supported by general taxes. The highest tax revenues received by the General Fund include sales tax (\$32.4 million), business license tax (\$14.0 million), property tax (\$13.5 million), utility users tax (\$13.2 million), and transient occupancy tax (\$8.6 million), and. Some of the key changes in revenues are:

- Sales tax increased by \$1.2 million, primarily due to rate increase and economic growth.
- Business license tax increased by \$0.8 million and transit occupancy tax increased by \$0.6 million, due to the improving economy and business growth.

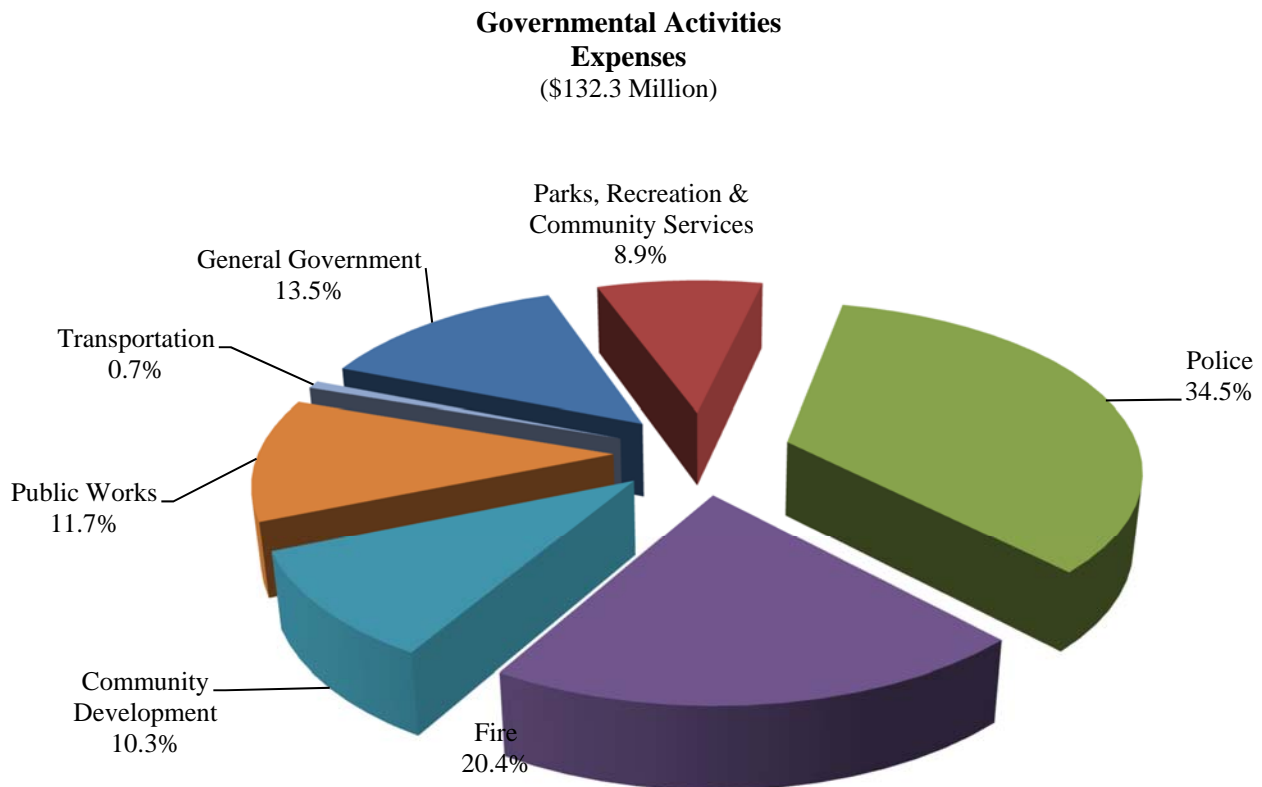
The governmental activities' chart below illustrates operating revenues by source. Sales, business, property, utility users, transient occupancy, and other taxes are general revenues used to support overall government functions. These sources account for approximately \$85.7 million or 61.0% of total governmental revenue. Operating and capital grants make up 6.6% of revenues while charges for services amount to 25.3% of total governmental revenues.



City of Culver City
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2019

Expense Highlights

Functional expenses for the year totaled approximately \$132.8 million in the governmental funds, a decrease of \$6.2 million over the prior year, of which \$10 million, or 162.1% of the decrease, attributable to General Government services. The decrease in General Government services was due to the restatement in General Fund to correct cash and investments for \$10 million that was set aside for Section 115 Trust but was expensed in the 2017-18 fiscal year (Note 17). Public Safety activities consumed approximately \$72.9 million (54.9%) of the total expenses in the governmental activities. Almost all public safety costs are funded from general revenues, primarily taxes. Expenses for Public Works totaled \$15.6 million, Community Development \$13.7 million, and Parks, Recreation, and Community Services \$11.8 million. General Government Expenses (including City Council, City Manager, City Clerk, Information Technology, Finance, Human Resources and City Attorney) and Transportation, consumed a total of \$18.8 million (14.2%).



Business-Type Activities

The City's business-type activities realized a \$1.49 million decrease (decreases of \$0.54 million current year operations and \$0.95 million prior period adjustments) in net position, largely resulting from reduction in operating and capital grants.

The City's Municipal Bus Lines is the largest business-type operation, with operating and capital contributions and grants from federal and county sources mainly funding its operations, as well as fare revenues. Refuse Disposal is second largest, followed by Sewer Enterprise, with fees for services mainly funding the two utilities.

City of Culver City
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2019

In November 2015, the City Council approved a new Municipal Fiber Network enterprise fund. Funding for this project was appropriated through a loan from the General Fund to design and construct open access network where Internet Service Providers (ISPs) will utilize the City's fiber infrastructure to service the business community. At the end of the 2018-19 fiscal year, net position decreased by \$0.89 million. The construction for Municipal Fiber Network was completed for the Municipal Fiber Network (Culver Connect) backbone and construction was initiated for network laterals. The Municipal Fiber Network has begun generating revenues in 2018-19 fiscal year.

The chart below shows a comparison of program revenues to expenses and to prior year for each of the City's business-type activities.

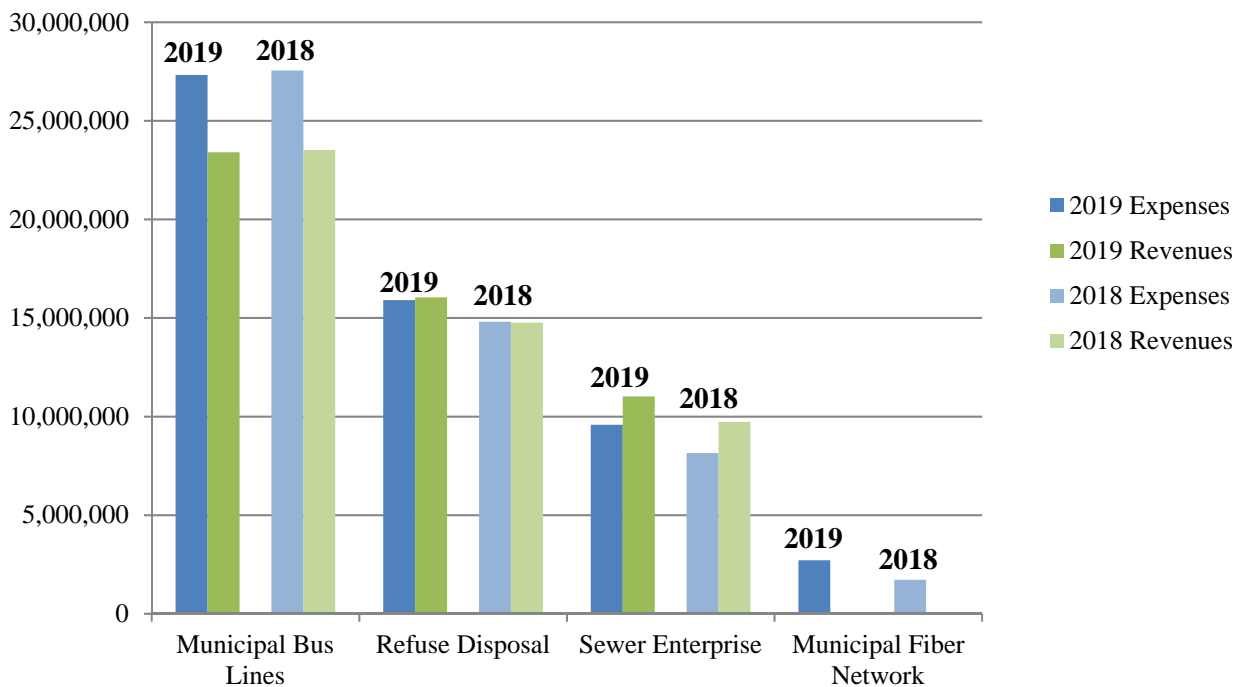
Revenue Highlights

Total program revenues as of June 30, 2019, were \$50.5 million which increased by \$2.49 million from the prior fiscal year. The change is primarily attributed to \$1.28 million increase in Refuse Disposal service charges with a 7% increase in rates and a large service increase in collecting construction materials and \$1.29 million increase in Sewer Enterprise user's service charges with a 3.6% increase in rates.

Expense Highlights

Refuse Disposal expenses increased by \$1.09 million, or 7.39%, largely due to an increase in processing fees of materials at all facilities including the recycling facility which had the largest increase. Sewer Enterprise expenses increased by \$1.44 million, or 17.7%, primarily due to the payments to the City of Los Angeles for wastewater system operation and maintenance at Hyperion, capital improvements for conveyance to Hyperion, and the payments to the County of Los Angeles for inspection, permit and plan check fees.

Business-Type Activities
Expenses and Program Revenues
For the Fiscal Years Ended June 30, 2019 and 2018



City of Culver City
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2019

GOVERNMENT FUNDS FINANCIAL ANALYSIS

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At June 30, 2019, the City's governmental funds reported a combined ending fund balance of \$184.6 million, an increase of \$12.2 million (\$2.2 million current year operations and \$10 million prior period adjustments) in comparison with the prior year. Increased revenues of \$2.02 million (\$2.52 million in taxes, \$0.6 million in licenses and permits, (\$0.4) million in fines and forfeitures, (\$2.77) million in intergovernmental, (\$1.99) million in charges for services, and \$4.06 million in investment earnings and miscellaneous) were added by \$6.94 million in decreased expenditures (decreases of \$8.4 million in general government, \$5.3 million in capital outlay and \$0.04 million in transportation, and increases of \$4.01 million in police and fire, \$0.68 million in parks, recreation, and community services, \$1.39 million in public works, and \$0.72 million in community development) as compared to the prior fiscal year. Of the total \$184.8 million fund balance, \$15.2 million was non-spendable, \$81.3 million was restricted, \$69.4 million was committed, \$0.1 million was assigned, and \$18.7 million was unassigned.

The following is a summary of significant changes to fund balance in the major governmental funds.

General Fund

The General Fund is the City's chief operating fund. It showed an increase of \$14.8 million (\$4.8 million current year operations and \$10 million prior period adjustments) in fund balance for the 2018-19 fiscal year with an \$95.6 million total fund balance at June 30, 2019. The increase was due to the restatement in General Fund to correct cash and investments for \$10 million that was set aside for Section 115 Trust but was mistakenly expensed in the 2017-18 fiscal year (Note 17) as well as the savings of personnel related costs.

Culver City Housing Authority Fund

With the dissolution of the Redevelopment Agency, the Culver City Housing Authority was formed to serve as the Successor Housing entity. All former Low/Moderate Income Housing assets and liabilities were transferred to the Housing Authority. During the 2018-19 fiscal year, project expenditures outpaced revenues and transfers by \$1.07 million for this fund.

Capital Improvement and Acquisition

This fund is used to account for former capital projects that are not otherwise funded by a special revenue fund or other specifically identified source of funding. The General Fund is the main contributor to projects in this fund. Project expenditures outpaced revenues and transfers by \$0.53 million for this fund.

Proprietary Funds

Unlike governmental funds, proprietary funds use the accrual basis of accounting for financial statement purposes. Accordingly, information reported for the individual fund statements is very similar to that presented as Business-Type Activities in the government-wide statements. Government-wide reporting requires the inclusion of activities of the City's internal service funds related to proprietary fund activities in the Business-Type Activities. Therefore, the following analysis is very similar to that presented for Business-Type Activities.

City of Culver City
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2019

The net position of the Refuse Disposal, Municipal Bus Lines, Sewer Enterprise and Municipal Fiber Network funds were (\$5.22) million, \$21.32 million, \$44.48 million, and (\$3.92) million respectively. Total net position of these funds decreased by \$1.49 million (decreases of \$0.54 million current year operations and \$0.95 million prior period adjustments) in the year ended June 30, 2019. Within this total, Sewer Enterprise fund's net position improved by \$1.96 million; however, it continues to have a negative net position of (\$5.22) million due mostly to the recording of \$11 million in other post-employment benefits (OPEB) and pension liabilities.

The Internal Service Funds net position decreased by \$2.41 million from the prior year due to operations. The Risk Management Fund incurred the biggest decrease of \$2.2 million due to a large increase in claims and settlements. Any deficits from fiscal year 2018-19 will be recovered through allocations in fiscal year 2019-20, as approved by Council.

GENERAL FUND BUDGETARY HIGHLIGHTS

The General Fund is the main operating fund of the City. Its revenues are primarily derived from taxes and charges for services, which are used to pay for the traditional services provided by local government - public safety, parks and recreation, community development (building and planning), and public works.

Revenues

SUMMARY OF GENERAL FUND REVENUES
BUDGET AND ACTUAL
Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance from Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 80,322,872	\$ 81,391,868	\$ 85,689,848	\$ 4,297,980
Licenses and permits	5,536,600	6,237,012	7,042,213	805,201
Fines and forfeitures	5,644,500	5,675,441	5,468,942	(206,499)
Intergovernmental	5,347,437	5,360,712	5,440,406	79,694
Charges for services	11,770,798	12,869,919	11,818,571	(1,051,348)
Investment earnings	813,000	898,000	3,218,803	2,320,803
Miscellaneous	276,200	788,275	1,025,764	237,489
Total revenues	<u>109,711,407</u>	<u>113,221,227</u>	<u>119,704,547</u>	<u>6,483,320</u>
Other Financing Sources:				
Transfers in	2,733,984	2,733,984	2,733,983	(1)
Total other financing sources	<u>2,733,984</u>	<u>2,733,984</u>	<u>2,733,983</u>	<u>(1)</u>
Total Revenues	<u>\$112,445,391</u>	<u>\$115,955,211</u>	<u>\$122,438,530</u>	<u>\$ 6,483,319</u>

The amended General Fund revenue budget for the 2018-19 fiscal year reflects amendments that were approved by the City Council during the year. The most significant amendments included increases to taxes and charges for services.

As shown on the table above, actual revenues totaled \$122.4 million, ahead of the amended budget by \$6.48 million. Taxes exceeded the amended budget by \$4.3 million. This was due to several factors including: gradual improvement in the local economy, additional property tax increment revenues to the general fund as a result of the dissolution of redevelopment, additional business tax and real property transfer tax revenues. Investment earnings exceeded the amended budget by \$2.3 million. This was primarily due to the investment earnings and gains on the tax exempt Section 115 Trust and interest income on the Fiber Network working capital loan.

City of Culver City
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2019

Expenditures

SUMMARY OF GENERAL FUND EXPENDITURES
BUDGET AND ACTUAL
Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance from Final Budget
	Original	Final		
Expenditures:				
General government	\$ 15,128,074	\$ 15,359,837	\$ 16,573,263	\$ (1,213,426)
Parks, recreation and community services	9,610,011	10,063,147	9,364,497	698,650
Police	42,544,374	43,437,216	41,951,512	1,485,704
Fire	24,437,959	24,979,736	25,075,958	(96,222)
Community development	11,758,481	14,405,596	8,587,471	5,818,125
Public works	13,224,853	14,169,603	12,848,402	1,321,201
Total expenditures	<u>116,703,752</u>	<u>122,415,135</u>	<u>114,401,103</u>	<u>8,014,032</u>
Other Financing (Uses):				
Transfers out	(2,830,000)	(3,253,500)	(3,231,785)	21,715
Total other financing (uses)	<u>(2,830,000)</u>	<u>(3,253,500)</u>	<u>(3,231,785)</u>	<u>21,715</u>
Total Expenditures	<u>\$113,873,752</u>	<u>\$119,161,635</u>	<u>\$111,169,318</u>	<u>\$ 7,992,317</u>

The amended General Fund expenditure budget for the 2018-19 fiscal year reflects amendments approved by the City Council during the year. The amended budget also reflects appropriations carried over from the prior year related to outstanding encumbrances as of June 30, 2018.

The variance of \$1.2 million in General Government reflects the write-off of the annual Fiber Network construction loan payments for the 2018-19 fiscal years of \$1.4 million as approved by the City Council during the year for which the corresponding budget adjustments were not made. Each department ended the year within their respective spending authority. Police and Public Works expenditures were significantly under the amended budget due to position vacancies. The difference of \$0.1 million in Fire reflects the savings of personnel related costs.

City of Culver City
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2019

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The City owns hundreds of millions of dollars' worth of capital assets that require ongoing maintenance, improvement and renovation. As a result, the City as a whole undertakes millions of dollars in capital improvement and construction projects each year.

The capital improvement projects undertaken in those operations in the Governmental Activities category typically include improvements to the City's infrastructure (roads, curbs, storm drains, bridges, sidewalks, gutters, etc.) and improvements to City public facilities, such as parks, restrooms, community facilities, and playgrounds. Starting in 2004, governmental funds have been required to capitalize and report the costs of acquiring or constructing infrastructure assets acquired or constructed after 1982. Where information was readily available, or if a value could be reasonably estimated, the City capitalized infrastructure assets acquired or constructed prior to 1982.

Summary of Capital Assets (Net)
Fiscal Year Ended June 30, 2019
(In Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$ 21,539	\$ 21,363	\$ 3,083	\$ 3,083	\$ 24,622	\$ 24,445
Buildings	43,611	45,080	15,228	15,789	58,839	60,869
Improvements	15,096	11,730	6,949	7,700	22,045	19,430
Machinery and equipment	12,656	10,928	17,355	20,029	30,011	30,957
Furniture and fixtures	-	-	25	31	25	31
Infrastructure	52,705	51,732	17,673	18,032	70,378	69,764
Investment in Hyperion	-	-	9,342	10,007	9,342	10,007
Construction in progress	29,291	21,801	16,555	11,256	45,846	33,057
Total	\$ 174,898	\$ 162,634	\$ 86,210	\$ 85,927	\$ 261,108	\$ 248,560

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2019, amounts to \$261.1 million (net of accumulated depreciation). This investment in capital assets includes land, water rights, buildings and related systems, improvements, machinery and equipment, park facilities, roads, highways, and bridges.

Capital asset additions included vehicle replacements, street repair and replacement, and sewer system improvements in the current year. Depreciation expenses in the Governmental and Business-Type activities totaled \$6.9 million and \$5.2 million, respectively.

Additional information is available in Note 6 of the Notes to the Basic Financial Statements.

City of Culver City
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2019

Long-Term Obligations

At the end of the 2018-19 fiscal year, the City had total net long-term outstanding obligations of \$43 million, a decrease of \$1.37 million over the prior fiscal year.

Summary of Long-Term Liabilities
Fiscal Year Ended June 30, 2019
(In Thousands)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Compensated absences payable	\$ 12,181	\$ 12,836	\$ 1,579	\$ 1,647	\$ 13,760	\$ 14,483
Claims and judgments	15,970	15,731	-	-	15,970	15,731
2009 Wastewater Facilities Revenue Bonds	-	-	13,235	14,120	13,235	14,120
Total	\$ 28,151	\$ 28,567	\$ 14,814	\$ 15,767	\$ 42,965	\$ 44,334

Additional information is available in Note 7 of the Notes to the Basic Financial Statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Economy

The City of Culver City's economy has shown continued improvements, similar to other cities throughout the region. The General Fund, the City's primary operating fund from which the traditional services associated with local government are provided (police, fire, recreation, engineering, etc.) is particularly affected by economic downturns. Key revenues, such as sales tax, business tax, and building permits realized significant declines from 2008 through 2010. Despite these declines, the City endeavored to keep General Fund revenues and expenditures in balance through a combination of cuts to spending, labor concessions, and one-time solutions that included the modest use of reserves.

As the economy has improved over the last several years, the city has improved its financial position. However, additional fiscal concerns are on the near horizon. The City expects significant increases in pension costs to phase in over the next three to four fiscal years, based on information from the California Public Employees' Retirement System, which is anticipated to drastically impact the City's financial forecast.

The current economic outlook is more favorable than in recent years; but the City continues to take a conservative approach to future projections.

Budget Outlook

Culver City prides itself on the outstanding quality of services it provides to the community and has taken all efforts to preserve services during these economically challenging times. Over the course of the past several years, numerous positions in the General Fund have been eliminated. This was accomplished without layoffs by eliminating position vacated through regular turnover or retirement incentives. Active and retiree health benefits were reduced and converted to defined benefit. July of 2014 marked the first cost-of-living adjustments for non-safety employees for several years. On the revenue side, there now continues to be slow but steady growth in the Culver City economy. Business tax receipts were among the highest in the City's history, along with significant increases in property taxes and sales taxes. Building activity has also experienced continued growth in the last five years.

City of Culver City
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2019

Despite the improving economy and efforts to reduce costs, the City's financial forecast still showed operating deficits when factoring in necessary funding for rising pension costs and appropriately pre-funding retiree healthcare costs. Exacerbating this issue was the dissolution of the Redevelopment Agency, which eliminated significant administrative reimbursements to the General Fund. Understanding that further meaningful expenditure cuts would radically alter the ability of the City to deliver the services valued by the community, the City Council turned to its voters to consider raising local taxes. First, a 2% increase to the Transient Occupancy Tax (Measure X) was approved on April 10, 2012. The approval of this measure increased this tax rate from 12% to 14%, resulting in approximately \$1.0 million in additional revenue. Second, a one-half cent local sales tax (Measure Y) was approved on November 6, 2012, becoming effective on April 1, 2013 and an additional quarter-cent sales tax (Measure C) was approved in November 6, 2018, which went into effect beginning April 1, 2019.

The Measure Y local sales tax results in approximately \$9.5 million in additional revenue, which should grow in step with anticipated future sales tax receipts. However, due to a sunset provision, this tax will expire on March 31, 2023 if not extended by the voters. This year City Council approved a ballot measure to extend and amend the expiration date from March 31, 2023 to March 31, 2033 for inclusion in the special election to be held on March 3, 2020. Without those funds, the City anticipates the following ongoing fiscal challenges will threaten the City's ability to provide adequate levels of service to its residents:

1. Total General Fund Appropriations are projected to exceed General Fund Revenue estimates over the next 10 years.
 - a. In the FY 2019/2020 Adopted Budget, even with the one-half cent sales tax in place, the General Fund Budgeted Appropriations exceeded General Fund Revenue Estimates by \$7.3M. If the one-half cent sales tax sunsets, the budget deficit will increase by \$9M and the City will be forced to pursue alternate revenue strategies.
 - b. The City's 10-year financial forecast demonstrates that the General Fund will no longer meet the General Fund Reserve requirement by FY 2023/2024 and if the one-half cent sales tax measure sunsets in FY 2022/2023, the General Fund Reserves will be totally depleted three years after the sunset.
2. Increasing retirement and pension costs related to rates charged by CalPERS have a significant impact on the General Fund's increasing expenditures.
 - a. PERS costs are expected to rise from \$23,952,000 in FY 2019/2020 to \$42,317,000 in FY2029/2030, which is an increase of 77% during this time period.
3. There are additional budget needs that have not been included in the financial forecast which include:
 - a. Increased maintenance and capital improvement projects for City infrastructure (streets, roads, pavements, traffic safety projects, city buildings, etc.).
 - i. In a recent study, consultants at Faithful + Gould assessed 25 City-owned structures located across the City and found a total of \$38M of necessary capital improvements over a 10-year period. Out of the \$38M, \$20M in improvements has been identified as immediate and \$8.5M were identified as Priority 1 Life/Public Safety items.
 - b. Capital and maintenance expenditures to support updating network infrastructure, cloud-based software deployments and replacement of end-of-life hardware which are critical to supporting secure and reliable operations.
 - i. The Information Technology (IT) Department administers and manages the network and technical infrastructure for the City. Departments citywide are relying more on emerging technologies that streamline and facilitate efficient operations. Continued investments that support the city's technical infrastructure are essential and reduces the City's risk as it relates to cybersecurity.

City of Culver City
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2019

Another significant change to the state and local financial landscape is the recently enacted Public Employees' Pension Reform Act ("PEPRA") of 2013, led by the Governor and overwhelmingly supported by the legislature. The City had already been proactive in pension reform and implemented many provisions that were included in PEPRA over the past several fiscal years. Employees currently either contribute their full pension costs or will do so by the end of their current Memorandum of Understanding. New employees are subject to a two tier plan. While PEPRA has no immediate impact to current pension costs, the law will slowly reduce pension costs of virtually all public employers over time as new employees hired after December 31, 2012 will be subject to a more moderate retirement plan. In the meantime, like all public agencies, the City of Culver City still has an underfunded pension plan for existing employees to address.

Despite the City's sound management and disciplined control of its financial health, the City's ability to sustain local services is seriously threatened by rising pension costs and the threat of losing 7%, or \$9.8 million, of its General Fund Sales Tax Revenues. In addition to these fiscal difficulties, the City seeks to continue to provide the same level of essential City services for the benefit of its residents, which services include police, fire, street maintenance, traffic improvements, emergency preparedness, maintenance of parks and recreation areas, all of which are deemed very important by an overwhelming majority of City residents, as indicated by a recent survey. Remaining financially sustainable will continue to be a responsibility of City leadership. Living within our means; maintaining healthy reserves; safeguarding our current quality of life and standard of living without sacrificing the future; creating a healthier and "greener" economy; prudently investing in long-term facilities and assets; partnering with our community to work together toward common goals; and making wise decisions despite political pressures to defer or deny them – all these are vital to working toward "sustainable prosperity" for Culver City.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of Culver City's finances for all those with an interest in the government's finances. Questions concerning any of the information contained herein should be addressed to the Finance Department, at finance.dept@culvercity.org or 9770 Culver Blvd., Culver City, CA 90232, (310) 253-5865.

This page intentionally left blank.

BASIC FINANCIAL STATEMENTS

This page intentionally left blank.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

City of Culver City
Statement of Net Position
June 30, 2019

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and investments	\$ 132,670,878	\$ 34,899,910	\$ 167,570,788
Cash and investments held with fiscal agents	-	54,329	54,329
Accounts receivables, net	4,068,734	1,495,326	5,564,060
Interest receivables	4,003,542	164,095	4,167,637
Internal balances	14,719,964	(14,719,964)	-
Due from other governments	10,000,739	4,824,837	14,825,576
Inventories	705,410	-	705,410
Advances to Successor Agency	19,375,821	-	19,375,821
Total current assets	<u>185,545,088</u>	<u>26,718,533</u>	<u>212,263,621</u>
Noncurrent assets:			
Cash and investments held with fiscal agents	-	1,608,838	1,608,838
Restricted investments held by Pension Trust	10,602,535	-	10,602,535
Notes receivables, net	20,110,974	1,195	20,112,169
Capital assets:			
Not being depreciated	50,829,702	19,637,661	70,467,363
Being depreciated, net	<u>124,068,116</u>	<u>66,572,263</u>	<u>190,640,379</u>
Total noncurrent assets	<u>205,611,327</u>	<u>87,819,957</u>	<u>293,431,284</u>
Total assets	<u>391,156,415</u>	<u>114,538,490</u>	<u>505,694,905</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension related amounts	34,704,031	4,234,442	38,938,473
Other postemployment benefits related amounts	4,163,096	618,904	4,782,000
Total deferred outflows of resources	<u>38,867,127</u>	<u>4,853,346</u>	<u>43,720,473</u>

(Continued)

City of Culver City
Statement of Net Position (Continued)
June 30, 2019

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
LIABILITIES			
Current liabilities:			
Accounts payable	8,951,861	3,209,043	12,160,904
Salaries and benefits payable	600,258	395,394	995,652
Interest payable	-	226,363	226,363
Deposits payable	11,474,191	100,750	11,574,941
Due to other government	186,221	-	186,221
Unearned revenues	1,121,328	3,000,782	4,122,110
Compensated absences, due within one year	4,502,080	707,916	5,209,996
Claims payable, due within one year	3,816,408	-	3,816,408
Revenue bonds and notes payable, due within one year	-	925,000	925,000
Total current liabilities	<u>30,652,347</u>	<u>8,565,248</u>	<u>39,217,595</u>
Noncurrent liabilities:			
Compensated absences, due in more than one year	7,678,658	871,195	8,549,853
Claims payable, due in more than one year	12,154,213	-	12,154,213
Revenue bonds and notes payable, due in more than one year	-	12,310,000	12,310,000
Aggregate net pension liabilities	205,939,174	27,830,814	233,769,988
Net other postemployment benefits related liabilities	73,957,565	10,994,868	84,952,433
Total noncurrent liabilities	<u>299,729,610</u>	<u>52,006,877</u>	<u>351,736,487</u>
Total liabilities	<u>330,381,957</u>	<u>60,572,125</u>	<u>390,954,082</u>
DEFERRED INFLOWS OF RESOURCES			
Pension related amounts	2,706,203	754,753	3,460,956
Other postemployment benefits related amounts	9,468,882	1,407,688	10,876,570
Total deferred inflows of resources	<u>12,175,085</u>	<u>2,162,441</u>	<u>14,337,526</u>
NET POSITION			
Net investment in capital assets	174,897,818	72,974,924	247,872,742
Restricted for:			
Transportation	3,201,670	-	3,201,670
Housing authority	43,872,372	-	43,872,372
Public safety	1,130,310	-	1,130,310
Public works	12,709,630	-	12,709,630
Debt service	-	1,663,167	1,663,167
Community development	4,672,885	-	4,672,885
Total restricted	<u>65,586,867</u>	<u>1,663,167</u>	<u>67,250,034</u>
Unrestricted (deficit)	<u>(153,018,185)</u>	<u>(17,980,821)</u>	<u>(170,999,006)</u>
Total net position	<u>\$ 87,466,500</u>	<u>\$ 56,657,270</u>	<u>\$ 144,123,770</u>

(Concluded)

City of Culver City
Statement of Activities
For the Year Ended June 30, 2019

Functions/Programs:	Expenses	Program Revenues			Total Program Revenues
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government:					
Governmental activities:					
General government	\$ 17,862,641	\$ 5,590,272	\$ 2,112,128	\$ 6,439	\$ 7,708,839
Parks, recreation and community services	11,838,330	3,771,176	266,210	-	4,037,386
Police	45,771,756	5,984,564	728,080	-	6,712,644
Fire	27,136,117	4,464,004	100,860	-	4,564,864
Community development	13,649,676	12,481,979	1,902,527	301,716	14,686,222
Public works	15,572,218	3,207,741	1,601,453	2,360,747	7,169,941
Transportation	970,326	67,263	(50,978)	-	16,285
Total governmental activities	132,801,064	35,566,999	6,660,280	2,668,902	44,896,181
Business-type activities:					
Refuse disposal	15,905,856	16,011,416	28,565	-	16,039,981
Municipal bus lines	27,317,029	2,908,933	19,982,663	510,463	23,402,059
Sewer enterprise	9,583,110	11,020,326	247	-	11,020,573
Municipal fiber network	2,713,855	35,655	-	-	35,655
Total business-type activities	55,519,850	29,976,330	20,011,475	510,463	50,498,268
Total primary government	\$ 188,320,914	\$ 65,543,329	\$ 26,671,755	\$ 3,179,365	\$ 95,394,449

City of Culver City
Statement of Activities (Continued)
For the Year Ended June 30, 2019

Functions/Programs:	Net (Expense) Revenue and Changes in Net Position		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Primary government:			
Governmental activities:			
General government	\$ (10,153,802)	\$ -	\$ (10,153,802)
Parks, recreation and community services	(7,800,944)	-	(7,800,944)
Police	(39,059,112)	-	(39,059,112)
Fire	(22,571,253)	-	(22,571,253)
Community development	1,036,546	-	1,036,546
Public works	(8,402,277)	-	(8,402,277)
Transportation	(954,041)	-	(954,041)
Total governmental activities	(87,904,883)	-	(87,904,883)
Business-type activities:			
Refuse disposal	-	134,125	134,125
Municipal bus lines	-	(3,914,970)	(3,914,970)
Sewer enterprise	-	1,437,463	1,437,463
Municipal fiber network	-	(2,678,200)	(2,678,200)
Total business-type activities	-	(5,021,582)	(5,021,582)
Total primary government	(87,904,883)	(5,021,582)	(92,926,465)
General revenues:			
Taxes:			
Property taxes	13,488,817	-	13,488,817
Sales taxes	32,402,882	-	32,402,882
Utility users taxes	13,173,647	-	13,173,647
Franchise taxes	1,412,810	-	1,412,810
Business license taxes	13,991,391	-	13,991,391
Transient occupancy taxes	8,551,849	-	8,551,849
Other taxes	2,668,453	-	2,668,453
Total taxes	85,689,849	-	85,689,849
Intergovernmental revenues, unrestricted	5,086,293	-	5,086,293
Investment earnings	3,230,772	807,284	4,038,056
Miscellaneous	1,539,459	2,199,819	3,739,278
Transfers	(1,472,842)	1,472,842	-
Total general revenues and transfers	94,073,531	4,479,945	98,553,476
Change in net position	6,168,648	(541,637)	5,627,011
Net position - beginning of year, as restated (Note 17)	81,297,852	57,198,907	138,496,759
Net position - ending of year	\$ 87,466,500	\$ 56,657,270	\$ 144,123,770

This page intentionally left blank.

FUND FINANCIAL STATEMENTS

Governmental Fund Financial Statements
Proprietary Fund Financial Statements
Fiduciary Fund Financial Statements

This page intentionally left blank.

GOVERNMENTAL FUND FINANCIAL STATEMENTS

General Fund - This is the primary operating fund of the City. It accounts for all activities of the general government, except those required to be accounted for in another fund.

Culver City Housing Authority Fund - This fund is used to account for the former Low/Moderate Income Housing Funds transferred to the City under the 2011 Cooperation and Implementation agreements. It is also anticipated that future funding will be provided from the Successor Agency from the past redevelopment agency repayment obligations. These funds are restricted to be used for qualified low/moderate income housing projects identified in the Agreement.

Capital Improvement and Acquisition Fund - To account for capital projects that are not otherwise funded by a special revenue fund or other specifically identified by the sources of funding. Project funding is mainly from general revenues allocated by action of the City Council.

City of Culver City
Balance Sheet
Governmental Funds
June 30, 2019

	Major Funds		
	General	Culver City Housing Authority	Capital Improvement and Acquisition
ASSETS			
Cash and investments	\$ 65,802,954	\$ 5,352,038	\$ 13,136,126
Restricted investments held by Pension Trust	10,602,535	-	-
Accounts receivables, net	3,709,203	5,137	-
Interest receivables	306,866	2,644,701	58,937
Notes receivables, net	1,201,414	15,475,740	-
Due from other funds	3,158,310	-	-
Due from other governments	7,558,436	-	-
Advances to other funds	14,045,433	-	-
Advances to Successor Agency	-	19,375,821	-
Total assets	\$ 106,385,151	\$ 42,853,437	\$ 13,195,063
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 3,443,640	\$ 204,847	\$ 566,828
Salaries and benefits payable	467,695	-	-
Due to other governments	-	-	-
Due to other funds	-	1,449	-
Deposits payable	5,784,810	6,685	5,640,851
Unearned revenues	1,121,328	-	-
Total liabilities	10,817,473	212,981	6,207,679
Deferred Inflows of Resources:			
Unavailable revenue	-	-	-
Total deferred inflows of resources	-	-	-
Fund Balances:			
Nonspendable	15,246,847	-	-
Restricted	10,602,535	42,640,456	6,987,384
Committed	48,905,672	-	-
Assigned	102,866	-	-
Unassigned (deficit)	20,709,758	-	-
Total fund balances	95,567,678	42,640,456	6,987,384
Total liabilities, deferred inflows of resources and fund balances	\$ 106,385,151	\$ 42,853,437	\$ 13,195,063

**City of Culver City
Balance Sheet (Continued)
Governmental Funds
June 30, 2019**

	Total Nonmajor Funds	Total Governmental Funds
ASSETS		
Cash and investments	\$ 37,731,461	\$ 122,022,579
Restricted investments held by Pension Trust	-	10,602,535
Accounts receivables, net	289,656	4,003,996
Interest receivables	947,234	3,957,738
Notes receivables, net	3,433,820	20,110,974
Due from other funds	-	3,158,310
Due from other governments	2,442,303	10,000,739
Advances to other funds	-	14,045,433
Advances to Successor Agency	-	19,375,821
Total assets	\$ 44,844,474	\$ 207,278,125
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
Liabilities:		
Accounts payable	\$ 1,299,687	\$ 5,515,002
Salaries and benefits payable	15,366	483,061
Due to other governments	186,221	186,221
Due to other funds	1,876,769	1,878,218
Deposits payable	41,845	11,474,191
Unearned revenues	-	1,121,328
Total liabilities	3,419,888	20,658,021
Deferred Inflows of Resources:		
Unavailable revenue	1,974,791	1,974,791
Total deferred inflows of resources	1,974,791	1,974,791
Fund Balances:		
Nonspendable	-	15,246,847
Restricted	21,029,921	81,260,296
Committed	20,467,461	69,373,133
Assigned	-	102,866
Unassigned (deficit)	(2,047,587)	18,662,171
Total fund balances	39,449,795	184,645,313
Total liabilities, deferred inflows of resources and fund balances	\$ 44,844,474	\$ 207,278,125

This page intentionally left blank.

City of Culver City
Reconciliation of the Governmental Funds Balance Sheet
to the Government-Wide Statement of Net Position
June 30, 2019

Total Fund Balances - Total Governmental Funds	<u>\$ 184,645,313</u>
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and are not reported in the funds:	
Capital assets, not being depreciated (net of \$2,221,762 reported in Internal Service Funds)	48,607,940
Capital assets, depreciable (net of \$28,037,104 reported in Internal Service Funds)	208,800,128
Less accumulated depreciation (net of \$(18,348,841) reported in Internal Service Funds)	(94,420,275)
Long-term liabilities and related deferred outflows of resources and deferred inflows of resources were not due and payable in the current period. Therefore, they were not reported in the Governmental Funds' Balance Sheet:	
Compensated absences (net of \$863,862 reported in Internal Service Funds)	(11,316,876)
Net pension liability (net of \$9,668,116 reported in Internal Service Funds)	(196,271,058)
Pension related deferred outflows of resources (net of \$1,470,996 reported in Internal Service Funds)	33,233,035
Pension related deferred inflows of resources (net of \$262,193 reported in Internal Service Funds)	(2,444,010)
Net OPEB liability (net of \$3,086,038 reported in Internal Service Funds)	(70,871,527)
OPEB related deferred outflows of resources (net of \$173,715 reported in Internal Service Funds)	3,989,381
OPEB related deferred inflows of resources (net of \$395,109 reported in Internal Service Funds)	(9,073,773)
Internal service funds are used by management to charge the costs of equipment replacement, fleet management, risk management, and central store to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Government-Wide Statement of Net Position.	(9,386,569)
Revenues earned but not available to pay for current expenditures for governmental funds are unavailable.	<u>1,974,791</u>
Net Position of Governmental Activities	<u><u>\$ 87,466,500</u></u>

City of Culver City
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2019

	Major Funds		
	General	Culver City Housing Authority	Capital Improvement and Acquisition
REVENUES:			
Taxes	\$ 85,689,848	\$ -	\$ -
Licenses and permits	7,042,213	-	-
Fines and forfeitures	5,468,942	-	-
Intergovernmental	5,440,406	-	229,806
Charges for services	11,818,571	-	-
Investment earnings	3,218,803	418,952	666,636
Miscellaneous	1,025,764	5,000	12,294
Total revenues	119,704,547	423,952	908,736
EXPENDITURES:			
Current:			
General government	16,573,263	-	-
Parks, recreation, and community services	9,364,497	-	-
Police	41,951,512	-	-
Fire	25,075,958	-	-
Community development	8,587,471	660,364	-
Public works	12,848,402	-	18,729
Transportation	-	-	-
Capital outlay	-	-	4,211,017
Total expenditures	114,401,103	660,364	4,229,746
REVENUES OVER (UNDER) EXPENDITURES	5,303,444	(236,412)	(3,321,010)
OTHER FINANCING SOURCES (USES):			
Transfers in	2,733,983	-	2,790,000
Transfers out	(3,231,785)	(833,984)	-
Total other financing sources (uses)	(497,802)	(833,984)	2,790,000
CHANGES IN FUND BALANCES	4,805,642	(1,070,396)	(531,010)
FUND BALANCES:			
Beginning of year, as restated (Note 17)	90,762,036	43,710,852	7,518,394
End of year	<u>\$ 95,567,678</u>	<u>\$ 42,640,456</u>	<u>\$ 6,987,384</u>

City of Culver City
Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Governmental Funds
For the Year Ended June 30, 2019

	Total Nonmajor Governmental Funds	Total Governmental Funds
REVENUES:		
Taxes	\$ -	\$ 85,689,848
Licenses and permits	1,692,241	8,734,454
Fines and forfeitures	-	5,468,942
Intergovernmental	8,228,664	13,898,876
Charges for services	7,547,437	19,366,008
Investment earnings	1,128,734	5,433,125
Miscellaneous	729,627	1,772,685
Total revenues	19,326,703	140,363,938
EXPENDITURES:		
Current:		
General government	431,847	17,005,110
Parks, recreation, and community services	473,601	9,838,098
Police	356,958	42,308,470
Fire	45,633	25,121,591
Community development	3,618,461	12,866,296
Public works	339,470	13,206,601
Transportation	337,566	337,566
Capital outlay	11,760,980	15,971,997
Total expenditures	17,364,516	136,655,729
REVENUES OVER (UNDER) EXPENDITURES	1,962,187	3,708,209
OTHER FINANCING SOURCES (USES):		
Transfers in	308,102	5,832,085
Transfers out	(3,239,158)	(7,304,927)
Total other financing sources (uses)	(2,931,056)	(1,472,842)
CHANGES IN FUND BALANCES	(968,869)	2,235,367
FUND BALANCES:		
Beginning of year, as restated (Note 17)	40,418,664	182,409,946
End of year	\$ 39,449,795	\$ 184,645,313

City of Culver City
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes
in Fund Balances to the Government-Wide Statement of Activities and Changes in Net Position
For the Year Ended June 30, 2019

Net Change in Fund Balances - Total Governmental Funds	\$ 2,235,367
Amounts reported for governmental activities in the Statement of Activities are different because:	
Acquisition of capital assets was reported as expenditures in the governmental funds. However, in the Government-Wide Statement of Activities, the cost of those assets was allocated over the estimated useful lives as depreciation expense. The following was the amount of capital assets recorded in the current period:	
Capital outlay (\$191,774 of capital outlay expenditures were for current public works expenditures for repairs and maintenance and therefore, were not capitalized), net of \$3,906,698 reported in Internal Service Funds.	15,282,518
Depreciation expense on capital assets was reported in the Government-Wide Statement of Activities, but they did not require the use of current financial resources. Therefore, depreciation expense was not reported as an expenditure in the governmental funds. (Net of \$1,561,435 reported in Internal Service Funds.)	(5,323,598)
Long-term compensated absences expense was reported in the Government-Wide Statement of Activities, but it did not require the use of current financial resources. Therefore, the increase in long-term compensated absences was not reported as an expenditure in the governmental funds. (Net of \$89,149 reported in Internal Service Funds.)	565,843
Other postemployment benefits and pension expenses were reported in the Government-Wide Statement of Activities, but they did not require the use of current financial resources. Therefore, the increase or decrease in other postemployment benefits liability and net pension liabilities were not reported as an expenditure or (credit) in the governmental funds.	
Other postemployment benefit expenses	5,576,121
Pension expense (credit)	(9,840,102)
Internal service funds were used by management to charge the costs of certain activities, such as equipment and fleet management, insurance, and central stores to individual funds. The net revenue of the internal service funds was reported with governmental activities.	(2,406,117)
Unavailable revenue is not recognized as revenue in the governmental funds since the revenue is not available to fund expenditures of the current year.	78,616
Change in Net Position of Governmental Activities	\$ 6,168,648

PROPRIETARY FUND FINANCIAL STATEMENTS

This page intentionally left blank.

PROPRIETARY FUNDS

Enterprise Funds are used to account and report activities for which fees are charges to external users for goods and/or services.

Enterprise Funds include:

Refuse Disposal Fund - This fund is used to account for the operation and the capital assets of the City's refuse disposal service.

Municipal Bus Lines Fund - This fund is used to account for the operation and the capital assets of the City's transportation system.

Sewer Enterprise Fund - This fund is used to account for the maintenance and operation, and the capital assets of the City's sewage disposal service.

Municipal Fiber Network Fund- This fund is used to account for the installation of open access network where Internet Service Providers ("ISP") will utilize the City's fiber infrastructure to service the business community.

City of Culver City
Statement of Net Position
Proprietary Funds
June 30, 2019

	Business-Type Activities - Enterprise Funds				Total Enterprise Funds
	Refuse Disposal	Municipal Bus Lines	Sewer Enterprise	Municipal Fiber Network	
ASSETS					
Current assets:					
Cash and investments	\$ 3,107,339	\$ 10,149,640	\$ 21,642,931	\$ -	\$ 34,899,910
Cash and investments with fiscal agent	-	-	54,329	-	54,329
Accounts receivables, net	1,188,826	305,106	1,394	-	1,495,326
Interest receivables	15,065	48,566	100,464	-	164,095
Due from other funds	-	-	-	-	-
Due from other governments	67,079	4,650,690	107,068	-	4,824,837
Inventory	-	-	-	-	-
Total current assets	4,378,309	15,154,002	21,906,186	-	41,438,497
Noncurrent assets:					
Cash and investments with fiscal agent	-	-	1,608,838	-	1,608,838
Notes receivables, net	-	-	1,195	-	1,195
Capital assets:					
Not being depreciated	1,790	3,442,511	4,600,047	11,593,313	19,637,661
Being depreciated	8,754,101	65,915,577	69,051,064	-	143,720,742
Less accumulated depreciation	(6,706,223)	(34,734,271)	(35,707,985)	-	(77,148,479)
Total capital assets, net	2,049,668	34,623,817	37,943,126	11,593,313	86,209,924
Total noncurrent assets	2,049,668	34,623,817	39,553,159	11,593,313	87,819,957
Total assets	6,427,977	49,777,819	61,459,345	11,593,313	129,258,454
DEFERRED OUTFLOWS OF RESOURCES					
Pension related amounts	1,065,821	2,807,396	361,225	-	4,234,442
Other postemployment benefits related amounts	224,185	373,630	21,089	-	618,904
Total deferred outflows of resources	1,290,006	3,181,026	382,314	-	4,853,346

(Continued)

City of Culver City
Statement of Net Position (Continued)
Proprietary Funds
June 30, 2019

	Governmental Activities
	Internal Service Funds
ASSETS	
Current assets:	
Cash and investments	\$ 10,648,299
Cash and investments with fiscal agent	-
Accounts receivables, net	64,738
Interest receivables	45,804
Due from other funds	103
Due from other governments	-
Inventory	705,410
Total current assets	11,464,354
Noncurrent assets:	
Cash and investments with fiscal agent	-
Notes receivables, net	-
Capital assets:	
Not being depreciated	2,221,762
Being depreciated	28,037,104
Less accumulated depreciation	(18,348,841)
Total capital assets, net	11,910,025
Total noncurrent assets	11,910,025
Total assets	23,374,379
DEFERRED OUTFLOWS OF RESOURCES	
Pension related amounts	1,470,996
Other postemployment benefits related amounts	173,715
Total deferred outflows of resources	1,644,711

(Continued)

City of Culver City
Statement of Net Position (Continued)
Proprietary Funds
June 30, 2019

	Business-Type Activities - Enterprise Funds				Total Enterprise Funds
	Refuse Disposal	Municipal Bus Lines	Sewer Enterprise	Municipal Fiber Network	
LIABILITIES					
Current liabilities:					
Accounts payable	595,242	936,141	885,674	791,986	3,209,043
Salaries and benefits payable	98,944	278,633	17,817	-	395,394
Due to other funds	-	-	-	674,531	674,531
Interest payable	-	-	226,363	-	226,363
Deposits payable	100,750	-	-	-	100,750
Unearned revenue	40	3,000,742	-	-	3,000,782
Compensated absences, due within one year	241,043	410,058	56,815	-	707,916
Claims payable, due within one year	-	-	-	-	-
Revenue bonds and notes payable, due within one year	-	-	925,000	-	925,000
Total current liabilities	1,036,019	4,625,574	2,111,669	1,466,517	9,239,779
Noncurrent liabilities:					
Advances from other funds	-	-	-	14,045,433	14,045,433
Compensated absences, due in more than one year	218,079	576,730	76,386	-	871,195
Claims payable, due in more than one year	-	-	-	-	-
Revenue bonds and notes payable, due in more than one year	-	-	12,310,000	-	12,310,000
Net pension liabilities	7,005,096	18,451,568	2,374,150	-	27,830,814
Net other postemployment benefits liabilities	3,982,659	6,637,555	374,654	-	10,994,868
Total noncurrent liabilities	11,205,834	25,665,853	15,135,190	14,045,433	66,052,310
Total liabilities	12,241,853	30,291,427	17,246,859	15,511,950	75,292,089
DEFERRED INFLOWS OF RESOURCES					
Pension related amounts	189,974	500,394	64,385	-	754,753
Other postemployment benefits related amounts	509,906	849,815	47,967	-	1,407,688
Total deferred inflows of resources	699,880	1,350,209	112,352	-	2,162,441
NET POSITION					
Net investment in capital assets	2,049,668	34,623,817	24,708,126	11,593,313	72,974,924
Restricted for debt service	-	-	1,663,167	-	1,663,167
Unrestricted (Deficit)	(7,273,418)	(13,306,608)	18,111,155	(15,511,950)	(17,980,821)
Total net position	\$ (5,223,750)	\$ 21,317,209	\$ 44,482,448	\$ (3,918,637)	\$ 56,657,270

(Continued)

City of Culver City
Statement of Net Position (Continued)
Proprietary Funds
June 30, 2019

	<u>Governmental Activities</u> <u>Internal</u> <u>Service Funds</u>
LIABILITIES	
Current liabilities:	
Accounts payable	3,436,859
Salaries and benefits payable	117,197
Due to other funds	605,664
Interest payable	-
Deposits payable	-
Unearned revenue	-
Compensated absences, due within one year	254,606
Claims payable, due within one year	3,816,408
Revenue bonds and notes payable, due within one year	-
Total current liabilities	<u>8,230,734</u>
Noncurrent liabilities:	
Advances from other funds	-
Compensated absences, due in more than one year	609,256
Claims payable, due in more than one year	12,154,213
Revenue bonds and notes payable, due in more than one year	-
Net pension liabilities	9,668,116
Net other post-employment benefits liabilities	<u>3,086,038</u>
Total noncurrent liabilities	<u>25,517,623</u>
Total liabilities	<u>33,748,357</u>
DEFERRED INFLOWS OF RESOURCES	
Pension related amounts	262,193
Other postemployment benefits related amounts	<u>395,109</u>
Total deferred inflows of resources	<u>657,302</u>
NET POSITION	
Net investment in capital assets	11,910,025
Restricted for debt service	-
Unrestricted (Deficit)	<u>(21,296,594)</u>
Total net position	<u>\$ (9,386,569)</u>

(Concluded)

City of Culver City
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2019

	Business-Type Activities - Enterprise Funds				Total Enterprise Funds
	Refuse Disposal	Municipal Bus Lines	Sewer Enterprise	Municipal Fiber Network	
OPERATING REVENUES:					
Charges for services	\$ 15,969,639	\$ 2,908,933	\$ 11,019,497	\$ 35,655	\$ 29,933,724
Other	41,777	-	829	-	42,606
Total operating revenues	16,011,416	2,908,933	11,020,326	35,655	29,976,330
OPERATING EXPENSES:					
Salaries and benefits	5,737,178	15,929,696	1,308,759	-	22,975,633
Supplies	156,951	418,812	3,582,630	-	4,158,393
Repairs and maintenance	2,831,145	5,432,101	536,400	-	8,799,646
Insurance	254,343	513,070	101,572	-	868,985
Claims and settlements	-	(279,120)	-	-	(279,120)
Administrative services	1,751,211	1,576,455	726,763	-	4,054,429
Rent and lease expenses	210,291	-	361,500	-	571,791
Consulting and contractual services	4,726,352	236,512	637,585	2,201,601	7,802,050
Depreciation and amortization	238,385	3,369,812	1,639,223	-	5,247,420
Total operating expenses	15,905,856	27,197,338	8,894,432	2,201,601	54,199,227
OPERATING INCOME (LOSS)	105,560	(24,288,405)	2,125,894	(2,165,946)	(24,222,897)
NONOPERATING REVENUES (EXPENSES):					
Investment earnings (loss)	68,926	206,325	524,297	7,736	807,284
Intergovernmental	28,565	17,766,404	247	-	17,795,216
Measure R Sales Tax	-	2,216,259	-	-	2,216,259
Gain (loss) on sales of property	-	(119,691)	-	-	(119,691)
Other income	-	823,058	-	1,376,761	2,199,819
Interest expense	-	-	(688,678)	(512,254)	(1,200,932)
Total nonoperating revenues (expenses)	97,491	20,892,355	(164,134)	872,243	21,697,955
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	203,051	(3,396,050)	1,961,760	(1,293,703)	(2,524,942)
CONTRIBUTIONS AND TRANSFERS:					
Capital contributions	-	510,463	-	-	510,463
Transfers in	-	1,372,842	-	400,000	1,772,842
Transfers out	-	(300,000)	-	-	(300,000)
Total contributions and transfers	-	1,583,305	-	400,000	1,983,305
Changes in net position	203,051	(1,812,745)	1,961,760	(893,703)	(541,637)
NET POSITION:					
Beginning of year, as restated (Note 17)	(5,426,801)	23,129,954	42,520,688	(3,024,934)	57,198,907
End of year	\$ (5,223,750)	\$ 21,317,209	\$ 44,482,448	\$ (3,918,637)	\$ 56,657,270

(Continued)

City of Culver City
Statement of Revenues, Expenses, and Changes in Net Position (Continued)
Proprietary Funds
For the Year Ended June 30, 2019

	Governmental Activities
	Internal Service Funds
OPERATING REVENUES:	
Charges for services	\$ 19,612,214
Other	33,827
Total operating revenues	19,646,041
OPERATING EXPENSES:	
Salaries and benefits	6,643,336
Supplies	2,212,185
Repairs and maintenance	3,716,990
Insurance	1,819,795
Claims and settlements	5,953,246
Administrative services	-
Rent and lease expenses	-
Consulting and contractual services	479,996
Depreciation and amortization	1,561,435
Total operating expenses	22,386,983
OPERATING INCOME (LOSS)	(2,740,942)
NONOPERATING REVENUES (EXPENSES):	
Investment earnings (loss)	266,201
Intergovernmental	250
Measure R Sales Tax	-
Gain (loss) on sales of property	68,374
Other income	-
Interest expense	-
Total nonoperating revenues (expenses)	334,825
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(2,406,117)
CONTRIBUTIONS AND TRANSFERS:	
Capital contributions	-
Transfers in	-
Transfers out	-
Total contributions and transfers	-
Changes in net position	(2,406,117)
NET POSITION:	
Beginning of year	(6,980,452)
End of year	\$ (9,386,569)

(Concluded)

City of Culver City
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2019

	Business-Type Activities - Enterprise Funds				Total Enterprise Funds
	Refuse Disposal	Municipal Bus Lines	Sewer Enterprise	Municipal Fiber Network	
CASH FLOWS FROM OPERATING ACTIVITIES:					
Receipts from customers and users	\$ 15,835,585	\$ 3,012,123	\$ 11,128,813	\$ 35,655	\$ 30,012,176
Receipts from user departments	-	-	-	-	-
Insurance recovery	-	-	-	-	-
Payments to suppliers	(10,143,849)	(5,665,852)	(5,304,014)	(1,161,621)	(22,275,336)
Payments to employees	(5,730,519)	(17,037,056)	(1,217,707)	-	(23,985,282)
Net cash provided by (used in) operating activities	(38,783)	(19,690,785)	4,607,092	(1,125,966)	(16,248,442)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Grants received	51,080	18,133,657	247	-	18,184,984
Transit assistance funds received	-	823,058	-	-	823,058
Transfers from other funds	-	1,372,842	-	400,000	1,772,842
Transfers to other funds	-	(300,000)	-	-	(300,000)
Cash paid to other funds	-	-	-	-	-
Net cash provided by noncapital financing activities	51,080	20,029,557	247	400,000	20,480,884
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Capital grants received	-	510,463	-	-	510,463
Acquisition of capital assets	(17,162)	(1,906,085)	(2,267,505)	(1,814,195)	(6,004,947)
Advances from other funds	-	-	-	1,000,492	1,000,492
Proceeds from sales of capital assets	-	128,476	-	-	128,476
Interest paid	-	193,633	(703,050)	(512,254)	(1,021,671)
Principal paid on revenue bonds	-	-	(885,000)	-	(885,000)
Loan forgiveness	-	-	-	1,376,761	1,376,761
Net cash provided by (used in) capital and related financing activities	(17,162)	(1,073,513)	(3,855,555)	50,804	(4,895,426)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest received	65,012	-	495,685	11,502	572,199
Net cash provided by investing activities	65,012	-	495,685	11,502	572,199
Net increase (decrease) in cash and cash equivalents	60,147	(734,741)	1,247,469	(663,660)	(90,785)
CASH AND CASH EQUIVALENTS:					
Beginning of year	3,047,192	10,884,381	22,058,629	663,660	36,653,862
End of year	<u>\$ 3,107,339</u>	<u>\$ 10,149,640</u>	<u>\$ 23,306,098</u>	<u>\$ -</u>	<u>\$ 36,563,077</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENTS OF NET POSITION:					
Cash and investments	\$ 3,107,339	\$ 10,149,640	\$ 21,642,931	\$ -	\$ 34,899,910
Cash and investments held with fiscal agent	-	-	1,663,167	-	1,663,167
Total	<u>\$ 3,107,339</u>	<u>\$ 10,149,640</u>	<u>\$ 23,306,098</u>	<u>\$ -</u>	<u>\$ 36,563,077</u>

See accompanying Notes to the Basic Financial Statements.

(Continued)

City of Culver City
Statement of Cash Flows (Continued)
Proprietary Funds
For the Year Ended June 30, 2019

	Governmental Activities
	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from customers and users	\$ 33,827
Receipts from user departments	19,547,635
Insurance recovery	239,671
Payments to suppliers	(10,924,456)
Payments to employees	(6,449,139)
Net cash provided by (used in) operating activities	2,447,538
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Grants received	5,071
Transit assistance funds received	-
Transfers from other funds	-
Transfers to other funds	-
Cash paid to other funds	(367,657)
Net cash provided by noncapital financing activities	(362,586)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Capital grants received	-
Acquisition of capital assets	(3,906,698)
Advances from other funds	-
Proceeds from sales of capital assets	108,983
Interest paid	-
Principal paid on revenue bonds	-
Loan forgiveness	-
Net cash provided by (used in) capital and related financing activities	(3,797,715)
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest received	264,748
Net cash provided by investing activities	264,748
Net increase (decrease) in cash and cash equivalents	(1,448,015)
CASH AND CASH EQUIVALENTS:	
Beginning of year	12,096,314
End of year	\$ 10,648,299
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENTS OF NET POSITION:	
Cash and investments	\$ 10,648,299
Cash and investments held with fiscal agent	-
Total	\$ 10,648,299

See accompanying Notes to the Basic Financial Statements.

(Continued)

City of Culver City
Statement of Cash Flows (Continued)
Proprietary Funds
For the Year Ended June 30, 2019

	Business-Type Activities - Enterprise Funds				Total Enterprise Funds
	Refuse Disposal	Municipal Bus Lines	Sewer Enterprise	Municipal Fiber Network	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:					
Operating income (loss)	\$ 105,560	\$ (24,288,405)	\$ 2,125,894	\$ (2,165,946)	\$ (24,222,897)
Adjustments to reconcile operating income (loss) to net cash (used in) operating activities:					
Depreciation and amortization	238,385	3,369,812	1,639,223	-	5,247,420
(Increase) decrease in:					
Accounts receivable	(215,895)	103,190	108,487	-	(4,218)
Due from other funds	114	-	-	-	114
Customer deposits	40,000	-	-	-	40,000
Inventory	-	-	-	-	-
Unearned revenue	(50)	-	-	-	(50)
Deferred outflows of resources - pension	519,926	1,369,497	176,212	-	2,065,635
Deferred outflows of resources - OPEB	41,583	69,304	3,912	-	114,799
Increase (decrease) in:					
Accounts payable	(213,555)	655,523	642,436	1,039,980	2,124,384
Salaries and benefits payable	1,796	7,535	(4,603)	-	4,728
Compensated absences	(57,984)	(7,118)	(2,368)	-	(67,470)
Net pension liabilities	(174,254)	(458,989)	(59,058)	-	(692,301)
Net other postemployment benefits liabilities	(141,373)	(235,615)	(13,299)	-	(390,287)
Deferred inflows of resources - pension	30,527	80,409	10,346	-	121,282
Deferred inflows of resources - OPEB	(213,563)	(355,928)	(20,090)	-	(589,581)
Claims payable	-	-	-	-	-
Total adjustments	<u>(144,343)</u>	<u>4,597,620</u>	<u>2,481,198</u>	<u>1,039,980</u>	<u>7,974,455</u>
Net cash provided by (used in) operating activities	<u>\$ (38,783)</u>	<u>\$ (19,690,785)</u>	<u>\$ 4,607,092</u>	<u>\$ (1,125,966)</u>	<u>\$ (16,248,442)</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES					
Loan forgiveness	\$ -	\$ -	\$ -	\$ 1,376,761	\$ -

(Continued)

City of Culver City
Statement of Cash Flows (Continued)
Proprietary Funds
For the Year Ended June 30, 2019

	<u>Governmental</u> <u>Activities</u> <u>Internal</u> <u>Service Funds</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:	
Operating income (loss)	\$ (2,740,942)
Adjustments to reconcile operating income (loss) to net cash (used in) operating activities:	
Depreciation and amortization	1,561,435
(Increase) decrease in:	
Accounts receivable	(64,579)
Due from other funds	-
Customer deposits	-
Inventory	127,461
Unearned revenue	-
Deferred outflows of resources - pension	717,582
Deferred outflows of resources - OPEB	32,222
Increase (decrease) in:	
Accounts payable	3,130,295
Salaries and benefits payable	6,938
Compensated absences	(89,149)
Net pension liabilities	(240,498)
Net other postemployment benefits liabilities	(109,546)
Deferred inflows of resources - pension	42,132
Deferred inflows of resources - OPEB	(165,484)
Claims payable	239,671
Total adjustments	<u>5,188,480</u>
Net cash provided by (used in) operating activities	<u>\$ 2,447,538</u>
NONCASH NONCAPITAL FINANCING ACTIVITIES	
Loan forgiveness	<u>\$ -</u>

(Concluded)

This page intentionally left blank.

FIDUCIARY FUND FINANCIAL STATEMENTS

Successor Agency to the Culver City Redevelopment Agency Private Purpose Trust Fund - To account for the winding down of the former Redevelopment Agency, including disposition of real properties held by the Agency and payment of enforceable obligations. Reflected in the Basic Financial Statements section.

Agency Funds - To account for assets held by the City as an agent for individuals, private organizations, other government units, and/or other funds. An agency fund such as Treasurer's Trust is used to account for refundable deposits entrusted with the City Treasurer/Finance department. The Culver City Revitalization Corp is a non-profit corporation created to allow certain funding to be expended on improvements to out-of-city properties adjacent to or abutting in-city properties in Component Area No. 2 of the former Culver City Redevelopment Project Area. The agency funds are purely custodial in nature (assets equal liabilities) and thus, does not involve measurement of results of operations.

This page intentionally left blank.

City of Culver City
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2019

	Private Purpose Trust Fund	Agency Funds
ASSETS		
Cash and investments	\$ 13,358,698	\$ 72,980
Cash and investments held with fiscal agent	56,679,346	-
Interest receivables	81,120	-
Notes receivables, net	1,210,561	-
Capital assets:		
Not being depreciated	8,316,229	-
Being depreciated, net	4,903,278	-
Total assets	84,549,232	\$ 72,980
DEFERRED OUTFLOWS OF RESOURCES		
Deferred loss on refunding, net	48,766	
Total deferred loss on refunding	48,766	
LIABILITIES		
Accounts payable	2,759,367	\$ -
Due to City of Culver City	2,628	
Deposits payable	-	72,980
Interest payable	845,216	-
Noncurrent liabilities		
Due within one year	15,971,029	-
Due in more than one year	123,862,435	-
Advances from Culver City Housing Authority	19,375,821	-
Total liabilities	162,816,496	\$ 72,980
NET POSITION (DEFICIT)		
Held in trust for Successor Agency	\$ (78,218,498)	

City of Culver City
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2019

	<u>Private Purpose Trust Fund</u>
ADDITIONS	
Property taxes	\$ 18,075,452
Investment earnings	1,354,910
Total additions	<u>19,430,362</u>
DEDUCTIONS	
General and administrative	896,895
Depreciation	138,902
Interest expense	5,688,197
Reimbursement to the City	1,377,091
Loss on sale of land held for resale	8,413,028
Total deductions	<u>16,514,113</u>
Change in net position	2,916,249
NET POSITION	
Beginning of year	<u>(81,134,747)</u>
End of year	<u>\$ (78,218,498)</u>

NOTES TO THE BASIC FINANCIAL STATEMENTS

This page intentionally left blank.

City of Culver City
Index to the Notes to the Basic Financial Statements
For the Year Ended June 30, 2019

	<u>Page</u>
Note 1 – Summary of Significant Accounting Policies	61
A. Reporting Entity.....	61
B. Basis of Accounting and Measurement Focus.....	62
C. Fund Classifications.....	65
D. Cash and Investments	66
E. Cash Equivalents.....	66
F. Fair Value Measurement.....	66
G. Inventories	67
H. Interfund Transactions	67
I. Capital Assets	67
J. Interest Payable.....	68
K. Unearned Revenue.....	68
L. Deferred Outflows and Inflows of Resources.....	68
M. Long-Term Debt	68
N. Pension Plan.....	68
O. Other Postemployment Benefits (“OPEB”).....	69
P. Employee Leave Benefits	69
Q. Claims and Judgments	70
R. Property Taxes	70
S. Net Position	70
T. Fund Balances.....	71
U. Spending Policy	73
V. Use of Estimates	73
W. New Accounting Pronouncements.....	73
Note 2 – Stewardship, Compliance, and Accountability.....	74
A. Deficit Fund Balances/Net Position.....	74
B. Excess of Expenditures over Appropriations by Department in Individual Funds.....	75
Note 3 – Cash and Investments	76
Note 4 – Interfund Balances	80
A. Internal Balances.....	80
B. Due From and To Other Funds	80
C. Advances From and To Other Funds	81
D. Transfers In and Out	81
Note 5 – Notes Receivables	83
A. City Manager Loan Agreement	83
B. Culver City Mobile Home Owners, Inc.....	83
C. MAP Loans	84
D. Tilden Terrace - Residential	84
E. Home Ownership Made Easy	84
F. Exceptional Children’s Foundation ERAS Loans	84
G. Exceptional Children’s Foundation Westside Opportunity Workshop.....	84
H. Habitat For Humanity of Greater Los Angeles.....	84

City of Culver City
Index to the Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

	<u>Page</u>
Note 5 – Notes Receivables (Continued)	
I. Tilden Terrace - Commercial	84
Note 6 – Capital Assets.....	85
A. Governmental Activities.....	85
B. Business-Type Activities.....	86
Note 7 – Long-Term Liabilities	87
A. Governmental Activities.....	87
B. Business-Type Activities.....	87
Note 8 – Bonds Payable.....	88
Note 9 – Claims and Judgments	89
Note 10 – Pension Plans	90
A. California Public Employees’ Retirement System (“CalPERS”).....	90
B. Public Agency Retirement Services (“PARS”).....	98
Note 11 – Other Postemployment Benefits (“OPEB”)	98
Note 12 – Deferred Compensation Plan	103
Note 13 – Contingencies	103
Note 14 – Classification of Fund Balances	104
Note 15 – Related Party Transactions	105
Note 16 – Successor Agency Trust for Assets and Liabilities of Former Redevelopment Agency.....	105
Note 17 – Prior Period Adjustments.....	110
A. Government-Wide Financial Statements.....	110
B. Fund Financial Statements	111
Note 18 – Subsequent Events.....	111

City of Culver City
Notes to the Basic Financial Statements
For the Year Ended June 30, 2019

Note 1 – Summary of Significant Accounting Policies

The basic financial statements of the City of Culver City, California (the “City”) have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) as applied to government units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City’s accounting policies are described below.

A. Reporting Entity

The City of Culver City was incorporated in 1917 and adopted its current City Charter in 1947. The City Charter establishes the form of government, states the powers and duties of the City Council, and establishes the City’s various executive offices. The City operates under a City Council/City Manager form of government. Under this system, the people elect a City Council of five citizens who serve a term of four years and who in turn appoint a City Manager, Police Chief, Fire Chief and City Attorney. The City provides the following services as authorized in its charter: public safety (police and fire), planning, public works, human services, bus lines, refuse collection, sewers, and community development.

In evaluating how to define the City for financial reporting purposes, management has considered all potential component units. The primary criteria for including a potential component unit within the reporting entity are the governing body’s financial accountability and a financial benefit or burden relationship and whether it is misleading to exclude. A primary government is financially accountable and shares a financial benefit or burden relationship, if it appoints a voting majority of an organization’s governing body and it is able to impose its will on the organization, or if there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the primary government. A primary government may also be financially accountable if an organization is fiscally dependent on the primary government regardless of whether the organization has a separately elected governing board, a governing board appointed by a higher level of government, or a jointly appointed board, and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the primary government.

The accompanying basic financial statements present the activity of the City and its component units, the Culver City Housing Authority, and the Culver City Parking Authority, and the Culver City Financing Authority.

Blended Component Units

Management determined that the following component units should be blended based on the criteria above.

Although the following component units are legally separate from the City, they have been “blended” as though they are part of the City because the component units’ governing body are substantially the same as the City’s and there is a financial benefit or burden relationship between the City and the component units; and the management of the City has operational responsibilities for the component units; and/or the component units provide services entirely, or almost entirely, to the City or otherwise exclusively, or almost exclusively, benefits the City, even though they do not provide services directly to City.

The Culver City Housing Authority (the “Housing Authority”) was established in January 2012 to serve as the Housing Successor Agency for the dissolved Redevelopment Agency and is governed by a board comprised of the City Council. The Housing Authority received the housing assets of the Redevelopment Agency and performs the housing functions of the dissolved Redevelopment Agency. The Housing Authority is reported as a special revenue fund. Separate financial statements are not prepared.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 1 – Summary of Significant Accounting Policies (Continued)

A. Reporting Entity (Continued)

Blended Component Units (Continued)

The Culver City Parking Authority (the “Parking Authority”) was created in 1965 pursuant to Section 32500 of the California Streets and Highways Code for the purpose of creating public parking facilities and undertaking activities incidental thereto for which public money may be spent and private property acquired. The Parking Authority is governed by a board comprised of the City Council and is reported as a special revenue fund. Separate financial statements are not prepared.

The Culver City Financing Authority (the “Financing Authority”) is a joint powers authority between the City and the former Redevelopment Agency and was created to provide financing for capital projects. The Financing Authority is governed by a board comprised of the City Council and is a blended component unit of the City. Separate financial statements are not prepared.

B. Basis of Accounting and Measurement Focus

The *basic financial statements* of the City are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the basic financial statements

Government-wide Financial Statements

Government-wide financial statements display information about the reporting government as a whole, except for its fiduciary activities. These statements include separate columns for the governmental and business-type activities of the primary government (including its blended component units). Governmental activities include governmental funds and proprietary internal service funds. Business-type activities include proprietary enterprise funds. Eliminations have been made in the Statement of Activities so that certain allocated expenses are recorded only once (by the function to which they were allocated). However, general government expenses have not been allocated as indirect expenses to the various functions of the City.

Government-wide financial statements are presented using the “economic resources” measurement focus and the accrual basis of accounting. Under the economic resources measurement focus, all (both current and long-term) economic resources and obligations of the reporting government are reported in the government-wide financial statements. Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Program revenues are netted with program expenses in the statement of activities to present the net cost of each program. Taxes and other items not included among program revenues are reported instead as general revenues.

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as expenditures. The issuance of long-term debt is recorded as a liability in the government-wide financial statements, rather than as another financing source. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as an expenditure.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 1 – Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting and Measurement Focus (Continued)

Fund Financial Statements

The underlying accounting system of the City is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprises its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements for the primary government’s governmental, proprietary, and fiduciary funds are presented after the government-wide financial statements. These statements display information about the major funds individually and nonmajor funds in the aggregate for governmental and enterprise funds. Fiduciary funds of the City primarily represent assets held by the City as a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds.

Governmental Funds

In the fund financial statements, governmental funds are presented using the modified-accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Measurable means that the amounts can be estimated, or otherwise determined. Available means that the amounts were collected during the reporting period or soon enough thereafter to be available to finance the expenditures accrued for the reporting period. The City uses an availability period of 60 days.

Revenue recognition is subject to the measurable and availability criteria for the governmental funds in the fund financial statements. Exchange transactions are recognized as revenues in the period in which they are earned (i.e., the related goods or services are provided). Locally imposed derived tax revenues are recognized as revenues in the period in which the underlying exchange transactions upon which they are based takes place. Imposed nonexchange transactions are recognized as revenues in the period for which they were imposed. If the period of use is not specified, they are recognized as revenues when an enforceable legal claim to the revenues arises or when they are received, whichever occurs first. Government-mandated and voluntary nonexchange transactions are recognized as revenues when all applicable eligibility requirements have been met.

In the fund financial statements, governmental funds are presented using the “current financial resources” measurement focus. This means that only current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources are generally included on the balance sheets. The reported fund balance (net current assets) is considered to be a measure of “available spendable resources.” Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

Non-current portions of long-term receivables due to governmental funds are reported on their balance sheets in spite of their spending measurement focus. Special reporting treatments are used to indicate; however, that they should not be considered “available spendable resources,” since they do not represent net current assets.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 1 – Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting and Measurement Focus (Continued)

Governmental Funds (Continued)

Revenues, expenses, assets, deferred outflows, liabilities, and deferred inflows resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 which requires that local governments defer grant revenue that is not received within 60 days after the fiscal year end to meet the “available” criteria of revenue recognition. In the past, the industry practice for grants was to recognize revenue in the fiscal year in which the related expense was incurred.

Therefore, recognition of governmental fund type revenues represented by non-current receivables are deferred until they become current receivables. Non-current portions of other long-term receivables are offset by fund balance nonspendable accounts.

Sales taxes, property taxes, franchise taxes, intergovernmental, rental income, transient occupancy taxes and special assessments are all considered to be susceptible to accrual and have been recognized as revenues in the current fiscal period to the extent normally collected within the availability period. Other revenue items are considered to be measurable and available when cash is received by the government.

Due to the nature of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources were expended, rather than as fund assets. The issuance of long-term debt is recorded as other financing sources rather than as a fund liability. Amounts paid to reduce long-term indebtedness are reported as fund expenditures.

Proprietary Funds

The City’s enterprise and internal service funds are proprietary funds. In the fund financial statements, the proprietary funds are presented using the “economic resources” measurement focus and the accrual basis of accounting.

Revenues are recognized when they are earned and expenses are recognized when the related goods or services are delivered. In the fund financial statements, the proprietary funds are presented using the economic resources measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their statements of net position. The proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net position.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies, taxes, and investment earnings result from nonexchange fund transactions or ancillary activities. Amounts paid to acquire capital assets are capitalized as assets in the enterprise financial statements, rather than reported as expenditures. Proceeds of long-term debt are recorded as a liability in the enterprise fund financial statements, rather than as another financing source. Amounts paid to reduce long-term indebtedness of the enterprise fund are reported as a reduction of the related liability, rather than as expenditures.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 1 – Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting and Measurement Focus (Continued)

Proprietary Funds (Continued)

Internal service funds are also presented in these statements. However, internal service balances and activities have been combined with the governmental activities in the government-wide financial statements. These internal service funds account for charges to other funds and departments for insurance, maintenance, and equipment acquisition.

Fiduciary Funds

Fiduciary fund financial statements include a Statement of Net position and a Statement of Changes in Fiduciary Net Position. The City's fiduciary funds represent agency funds and private purpose trust funds. Both agency funds and the private purpose trust funds are accounted for on the full accrual basis of accounting.

➤ Successor Agency to the Culver City Redevelopment Agency Trust Fund

The fund is used to account for the winding down of the former Redevelopment Agency, including disposition of real property held by the Agency and payment of enforceable obligations.

➤ Agency Funds

Agency funds are used to account for assets held by the City as an agent for individuals, private organizations, other government units, and/or other funds. An agency fund such as Treasurer's Trust is used to account for refundable deposits entrusted with the City Treasurer/Finance department. The Culver City Revitalization Corp is a non-profit corporation created to allow certain funding to be expended on improvements to out-of-city properties adjacent to or abutting in-city properties in Component Area No. 2 of the former Culver City Redevelopment Project Area. The agency funds are purely custodial in nature (assets equal liabilities) and thus, does not involve measurement of results of operations.

C. Fund Classifications

The City reports the following major governmental funds:

➤ General Fund

This is the primary operating fund of the City. It accounts for all activities of the general government, except those required to be accounted for in another fund.

➤ Culver City Housing Authority Fund

The fund is used to account for the former Low/Moderate Income Housing Funds transferred to the City under the 2011 Cooperation and Implementation Agreement. It is also anticipated that future funding will be provided from the Successor Agency from the past redevelopment agency repayment obligations. These funds are restricted to be used for qualified low/moderate income housing projects identified in the Agreement.

➤ Capital Improvement and Acquisition Fund

The fund is used to account for capital projects that are not otherwise funded by a special revenue fund or other specifically identified by the sources of funding. Project funding is mainly from general revenues allocated by action of the City Council.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 1 – Summary of Significant Accounting Policies (Continued)

C. Fund Classifications (Continued)

The City reports the following major enterprise funds:

- Refuse Disposal Fund – This fund is used to account for the operation and the capital assets of the City's refuse disposal service.
- Municipal Bus Lines Fund – This fund is used to account for the operation and the capital assets of the City's transportation system.
- Sewer Enterprise Fund – This fund is used to account for the maintenance and operation, and the capital assets of the City's sewage disposal service.
- Municipal Fiber Network – This fund is used to account for the installation of open access network where Internet Service Providers ("ISP") will utilize the City's fiber infrastructure to service the business community.

D. Cash and Investments

The City pools its available cash for investment purpose. Cash includes cash on hand and demand deposits with financial institutions.

Investments are reported in the accompanying balance sheet at fair value. Changes in fair value that occur during a fiscal year are recognized as *investment income* reported for that fiscal year. *Investment income* includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation or sale of investments. The City pools the cash and investments of all funds, except for assets held by fiscal agents. Each fund's share in this pool is displayed in the accompanying financial statements as *cash and investments*.

E. Cash Equivalents

For purposes of the statement of cash flows, cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash or so near their maturity that they present insignificant risk of changes in value because of changes in interest rates, and have an original maturity date of 3 months or less. Cash equivalents represent the proprietary funds' share in the cash and investment pool of the City.

F. Fair Value Measurement

U.S. GAAP defines fair value, establishes a framework for measuring fair value and establishes disclosure about fair value measurement. Investments, unless otherwise specified at fair value in the financial statements, are categorized based upon the level of judgment associated with the inputs used to measure their fair value.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 1 – Summary of Significant Accounting Policies (Continued)

F. Fair Value Measurement (Continued)

Levels of inputs are as follows:

Level 1 – Inputs are unadjusted, quoted prices for identical assets and liabilities in active markets at the measurement date.

Level 2 – Inputs, other than quoted prices included in Level 1, that are observable for the assets and liabilities through corroboration with market data at the measurement date.

Level 3 – Unobservable inputs that reflect management’s best estimate of what market participants would use in pricing the assets and liabilities at the measurement date.

G. Inventories

Inventories are stated at cost. Physical counts of inventories are taken on a cyclical basis during each fiscal year with perpetual records adjusted to actual at that time. The City uses the consumption method of accounting for inventories.

H. Interfund Transactions

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred as either “due to/from other funds” or “advances to/from” (i.e., the current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the Governmental-Wide Financial Statement as “internal balances”.

I. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

Capital assets are valued at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are valued at their estimated acquisition value on the date of donation. Capital assets subject to lease obligations are valued at the net present value of future lease payments at the inception of the lease. The City has reported all capital assets including infrastructure in the government-wide statement of net position. The City’s policy is to capitalize assets over \$5,000 with a useful life of at least three years.

Depreciation of all exhaustible capital assets used by the governmental and business-type activities is charged as an expense against their operations. Accumulated depreciation is reported on the statement of net position.

Depreciation has been calculated using the straight-line method over the following estimated useful lives.

Buildings and infrastructure	50-65 years
Other improvements	20 years
Refuse transfer station	50 years
Transportation equipment	5-12 years
Other equipment	3-25 years

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 1 – Summary of Significant Accounting Policies (Continued)

J. Interest Payable

In the government-wide financial statements, interest payable on long-term debt is recognized as the liability is incurred for governmental activities and business-type activities. In the fund financial statements, only proprietary fund types recognize the interest payable when the liability is incurred.

K. Unearned Revenue

Unearned revenue is recognized for transactions for which revenue has not yet been earned. Typical transactions recorded as unearned revenues are prepaid charges for services and grants received but not yet earned.

L. Deferred Outflows and Inflows of Resources

The City reports deferred outflows and inflows of resources. A deferred outflow of resources is a consumption of net position that is applicable to a future reporting period. A deferred inflow of resources represents an acquisition of net position that is applicable to a future period.

Under the modified accrual basis of accounting, revenue susceptible to accrual must be both measurable and available to finance expenditures of the current fiscal period. If assets are reported in connection with a transaction, but those assets are not yet available to finance expenditures of the current fiscal period, then the assets must be offset by a corresponding deferred inflow of resources.

M. Long-Term Debt

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the appropriate activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, the governmental fund financial statements do not present long-term liabilities. Consequently, long-term debt is shown as a reconciling item in the reconciliation of the governmental funds balance sheet to the government-wide statement of net position.

N. Pension Plan

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the plans and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans (Note 10). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

The following timeframes are used for pension reporting:

<u>CalPERS</u>	
Valuation Date	June 30, 2017
Measurement Date	June 30, 2018
Measurement Period	July 1, 2017 to June 30, 2018

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 1 – Summary of Significant Accounting Policies (Continued)

N. Pension Plan (Continued)

Gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time. The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense. The amortization period differs depending on the source of gain or loss. The difference between projected and actual earnings is amortized straight-line over 5 years. All other amounts are amortized straight-line over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period.

O. Other Postemployment Benefits (“OPEB”)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Culver City Retiree Benefits Plan (“OPEB Plan”) and additions to/deductions from OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fairvalue, except for money market investments, which are reported at amortized cost.

The following timeframes are used for pension reporting:

<u>OPEB</u>	
Valuation Date	June 30, 2017
Measurement Date	June 30, 2019
Measurement Period	July 1, 2018 to June 30, 2019

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. The first amortized amounts are recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense. The amortization period differs depending on the source of gain or loss. The difference between projected and actual earnings is amortized on a straight-line basis over 5 years. All other amounts are amortized on a straight-line basis over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) at the beginning of the measurement period.

P. Employee Leave Benefits

A liability is recorded for unused vacation and similar compensatory leave balances since the employees' entitlement to these balances are attributable to services already rendered and it is probable that virtually all of these balances will be liquidated by either paid time off or payments upon termination or retirement.

A liability is recorded for unused sick leave balances only to the extent that it is probable that the unused balances will result in termination payments. This is estimated by including in the liability the unused balances of employees currently entitled to receive termination payment, as well as those who are expected to become eligible to receive termination benefits as a result of continuing their employment with the City. Other amounts of unused sick leave are excluded from the liability since their payment is contingent solely upon the occurrence of a future event (illness) which is outside the control of the City and the employee.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 1 – Summary of Significant Accounting Policies (Continued)

P. Employee Leave Benefits (Continued)

A proprietary fund liability is accrued for all leave benefits relating to the operations of the Proprietary funds. A current liability is accrued in the governmental funds for material leave benefits due on demand to governmental fund employees that have terminated prior to fiscal year end. All other amounts are recorded in the government-wide financial statements. These non-current amounts will be recorded as fund expenditures in the year in which they are paid or become due on demand to terminated employees.

The City's employees earn vacation leave (vary depending on years of service) based on days employed. Upon retirement or termination, payment of accumulated vacation may not exceed that which can be accumulated within two years for employees. Unused sick leave, based on days employed, may be accumulated up to certain limits. Upon retirement or termination, employees will be paid a maximum of 720 hours of sick pay.

Q. Claims and Judgments

The City records a liability for litigation, judgments, and claims when it is probable that an asset has been impaired or a liability (including incurred but not reported) has been incurred prior to fiscal year end and the probable amount of loss (net of any insurance coverage) can be reasonably estimated. This liability is recorded in the Risk Management Internal Service Fund.

R. Property Taxes

Under California law, property taxes are assessed and collected by the counties up to 1% of assessed value, plus other increases approved by the voters. The property taxes go into the county pool, and are then apportioned to the cities based on complex formulas. Accordingly, the City accrues only those taxes which are received within 60 days after year end.

The property tax calendar is as follows:

Lien Date:	January 1
Levy Date:	June 30
Due Date:	First Installment – November 1 Second Installment – February 1
Delinquent Date:	First Installment – December 10 Second Installment – April 10

S. Net Position

In the government-wide financial statements and proprietary fund financial statements, net position is classified as follows:

Net Investment in Capital Assets – This component of net position consists of capital assets (including reported intangible assets) net of accumulated depreciation/amortization and reduced by outstanding debt that is attributed to the acquisition, construction or improvement of the assets (net of unspent debt proceeds) and related deferred outflows and inflows of resources.

Restricted – This component of net position consists of restricted assets plus deferred outflows of resources, and reduced by liabilities and deferred inflows of resources related to those assets.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 1 – Summary of Significant Accounting Policies (Continued)

S. Net Position (Continued)

Unrestricted – This component of net position is the amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

T. Fund Balances

In the fund financial statements, governmental funds report fund balance as nonspendable, restricted, committed, assigned, or unassigned based primarily on the extent to which the City is bound to honor constraints on how specific amounts can be spent.

- *Nonspendable fund balance* – amounts that cannot be spent because they are either (a) not spendable in form or (b) legally or contractually required to be maintained intact.
- *Restricted fund balance* – amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- *Committed fund balance* – amounts that can only be used for specific purposes determined by formal action of the City’s highest level of decision-making authority (the City Council) and that remain binding unless removed in the same manner. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period. Resolution is the highest level of the City Council’s approval. The City Council establishes, modifies or rescinds fund balance commitments by passage of a resolution.
- *Assigned fund balance* – amounts that are constrained by the City’s *intent* to be used for specific purposes. The intent can be established at either the highest level of decision making, or by a body or an official designated for that purpose. The officials designated for authorizing assigned fund balances are the Chief Financial Officer and the City Manager by Council Resolution approved in the July 25, 2011 City Council Meeting and by City Fund Balance Policy.
- *Unassigned fund balance* – the residual classification for the City’s funds that include amounts not contained in the other classification. The General fund is the only fund that reports a positive unassigned fund balance amount. However, if governmental funds other General Fund, had expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

Financial Reserves Policy

Prudent financial management dictates that some portion of the funds available to the City be reserved for future use.

As a general budget principle concerning the use of reserves, the City Council decides whether to appropriate funds from Reserve accounts. Even though a project or other expenditure qualifies as a proper use of Reserves, the Council may decide that it is more beneficial to use current year operating revenues or bond proceeds instead, thereby retaining the Reserve funds for future use. Reserve funds will not be spent for any function other than the specific purpose of the Reserve account from which they are drawn without specific direction in the annual budget; or by a separate City Council action. Information regarding annual budget adoption and administration is contained in City Council Policy 5001, included in the annual budget document.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 1 – Summary of Significant Accounting Policies (Continued)

T. Fund Balances (Continued)

Financial Reserves Policy (Continued)

The City Council has imposed the following commitments of fund balance in the General Fund to establish reserves:

1. Contingency Reserve: The Contingency Reserve shall have a target balance of thirty percent (30%) of General Fund “Operating Budget” as originally adopted. Operating Budget for this purpose shall include current expenditure appropriations and shall exclude Capital Improvement Projects and Transfers Out. Appropriation and/or access to these funds are reserved for emergency situations only. The parameters by which the Contingency Reserve could be accessed would include the following circumstances:
 - a. A catastrophic loss of critical infrastructure requiring an expenditure of greater than or equal to five percent (5%) of the General Fund, Operating Budget, as defined above.
 - b. A State or Federally declared state of emergency where the City response or related City loss is greater than or equal to five percent (5%) of the General Fund, Operating Budget.
 - c. Any settlement arising from a claim or judgment where the loss exceeds the City’s insured policy coverage by an amount greater than or equal to five percent (5%) of the General Fund, Operating Budget.
 - d. Deviation from budgeted revenue projections in the top three General Fund revenue categories, namely, Sales Taxes, Utility Users’ Taxes and Business Taxes in a cumulative amount greater than or equal to five percent (5%) of the General Fund, Operating Budget.
 - e. Any action by another government that eliminates or shifts revenues from the City amounting to greater than or equal to five percent (5%) of the General Fund, Operating Budget.
 - f. Inability of the City to meet its debt service obligations in any given year.
 - g. Any combination of factors a.-f. amounting to greater than or equal to five percent (5%) of the General Fund, Operating Budget in any one fiscal year.

Use of the Contingency Reserve must be approved by the City Council. Should the Contingency Reserve commitment reserve be used, the City Manager shall present a plan to City Council to replenish the reserve within five years.

2. Facilities Planning Reserve: The Facilities Planning Reserve has been established to offset the cost of replacement or major refurbishment to critical City facilities such as, but not limited to, the City Hall building and Police Department buildings, Fire Stations, and other Facility Improvement Projects. Use of this Reserve must be approved by City Council. This Reserve shall be funded by allocations of General Fund surplus revenues, as defined later in this policy, or by specific City Council allocations. The eligible uses of this reserve include the cash funding of public facility improvements or the servicing of related debt.
3. Recreational Facilities: City Council Policy 5003 requires ten percent (10%) of gross annual revenues derived from specified recreational classes and rentals to be set aside for the refurbishment of certain recreational facilities, fee-based activity programs and equipment used in connection with fee-based recreation classes.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 1 – Summary of Significant Accounting Policies (Continued)

U. Spending Policy

Government-Wide Financial Statements and the Proprietary Fund Financial Statements

When expenses are incurred for purposes for which both restricted and unrestricted components of net position are available, the City's policy is to apply the restricted component of net position first, then the unrestricted component of net position as needed.

Governmental Fund Financial Statements

When expenditures are incurred for purposes for which both restricted and unrestricted fund balances are available, the City's policy is to apply restricted fund balances first, then unrestricted fund balances as needed.

When expenditures are incurred for purposes where only unrestricted fund balances are available, the City uses the unrestricted resources in the order of committed, assigned then unassigned, except for instances wherein an ordinance specifies the fund balance.

V. Use of Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

W. New Accounting Pronouncements

GASB Statement No. 83, *Certain Asset Retirement Obligations*. This Statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for asset retirement obligations (ARO). This Statement requires that recognition occur when the liability is both incurred and reasonably estimable. The determination of when the liability is incurred should be based on the occurrence of external laws, regulations, contracts, or court judgments, together with the occurrence of an internal event that obligates a government to perform asset retirement activities. Laws and regulations may require governments to take specific actions to retire certain tangible capital assets at the end of the useful lives of those capital assets, such as decommissioning nuclear reactors and dismantling and removing sewage treatment plants. Other obligations to retire tangible capital assets may arise from contracts or court judgments. Internal obligating events include the occurrence of contamination, placing into operation a tangible capital asset that is required to be retired, abandoning a tangible capital asset before it is placed into operation, or acquiring a tangible capital asset that has an existing ARO. Application of this statement did not have a significant effect on the City's basic financial statements for the fiscal year ended June 30, 2019.

GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements (GASB 88)*. The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This Statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. This statement did not have a significant impact on the City's basic financial statements for the year ended June 30, 2019.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 2 – Stewardship, Compliance, and Accountability

A. Deficit Fund Balances/Net Position

As of June 30, 2019, (deficit) fund balances/net position were recorded in the following funds:

Major Proprietary Funds:	
Refuse Disposal Fund	\$ (5,223,750)
Municipal Fiber Network Fund	(3,918,637)
Nonmajor Governmental Funds:	
Special Revenue Funds:	
Operating Grants Fund	(542,042)
Paratransit Fund	(58,301)
Capital Projects Funds:	
Capital Improvement Grants Fund	(1,447,244)
Internal Service Funds:	
Equipment Maintenance Fund	(10,022,996)
Risk Management Fund	(16,295,557)
Fiduciary Fund:	
Private Purpose Trust Fund	(78,218,498)

The material deficits are expected to be eliminated as follows:

Refuse Disposal Fund – The deficit is due to inclusion of the net pension liability and net OPEB liability totaled to \$10,987,755. The City will develop a plan to reduce deficit.

Municipal Fiber Network Fund – The deficit is due to the construction of an open access network where internet service providers will be able to utilize City’s fiber infrastructure to serve business community. The City is expecting that this will generate revenue for them and allow them to operate with surplus soon.

Operating Grants Fund – The deficit will be eliminated after grant monies are received after the availability period and unavailable revenue being recognized as revenue.

Paratransit Fund – The deficit will be eliminated after grant monies are received after the availability period and unavailable revenue being recognized as revenue.

Capital Improvement Grants Fund – The deficit will be eliminated after grant monies are received after the availability period and unavailable revenue being recognized as revenue.

Equipment Maintenance Fund – The City intends to implement a plan to increase charges to user departments to reduce the deficit fund balance over the upcoming several years. The deficit is due to inclusion of the net pension liability and net OPEB liability totaled to \$9,669,620.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 2 – Stewardship, Compliance, and Accountability (Continued)

A. Deficit Fund Balances/Net Position (Continued)

Risk Management Fund – The City is analyzing the trend for recent increases in the incurred, but not reported claims liability as determined by its actuary. The City will develop a plan to ensure charges cover operating expenses. The deficit is partially due to inclusion of the net pension liability and net OPEB liability totaled to \$3,084,534.

Private Purpose Trust Fund – The deficit will be eliminated after tax increment revenue are distributed to City’s Successor Agency.

The City also had a deficit unrestricted net position for governmental activities and business-type activities at June 30, 2019 in the amount of \$(153,018,185) and \$(17,980,821), respectively. It was mainly due to the net pension related liabilities and net other postemployment benefits related liabilities. The net pension liabilities for governmental activities and business-type activities at June 30, 2019 were \$(205,939,174) and \$(27,830,814), respectively. The net other postemployment benefits related liabilities for governmental activities and business-type activities at June 30, 2019 were \$(73,957,565) and \$(10,994,868), respectively.

B. Excess of Expenditures Over Appropriations by Department in Individual Funds

Fund	Expenditures	Appropriations	Excess of Expenditures over Appropriations
Major Governmental Funds:			
General Fund:			
General government	\$ 16,573,263	\$ 15,359,837	\$ (1,213,426)
Fire	25,075,958	24,979,736	(96,222)
Nonmajor Governmental Funds:			
Special Revenue Funds:			
Operating Grants Fund			
Police	229,573	149,846	(79,727)

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 3 – Cash and Investments

Cash and investments as of June 30, 2019 are classified in the accompanying financial statements as follows:

	Government-Wide Financial Statement			Total
	Governmental Activities	Business-Type Activities	Fiduciary Funds	
Cash and investments	\$ 143,273,413	\$ 34,899,910	\$ 13,431,678	\$ 191,605,001
Cash and investments held with fiscal agents	-	1,663,167	56,679,346	58,342,513
Total cash and investments	\$ 143,273,413	\$ 36,563,077	\$ 70,111,024	\$ 249,947,514

Cash and investments as of June 30, 2019 consist of the following:

Cash:	
Petty cash	\$ 4,550
Demand deposits	13,426,344
Total cash	13,430,894
Investments	236,516,620
Total	\$ 249,947,514

Investments Authorized by the California Government Code and the City's Investment Policy

This table identifies the investment types that are authorized for the City by the California Government Code and the City's investment policy. The table also identifies certain provisions of the California Government Code (or the City's investment policy, if more restrictive) that address interest rate risk and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code or the City's investment policy.

Investment Types Authorized by State Law	Authorized By Investment Policy	*Maximum Maturity	*Maximum Percentage of Portfolio *	*Maximum Investment in One Issuer
Local agency bonds	Yes	3-5 years	30%	5%
U.S. treasury obligations	Yes	5 years	N/A	No Limit
U.S. government sponsored enterprise securities	Yes	5 years	N/A	30%
Banker's acceptances	Yes	180 days	25%	5%
Commercial paper	Yes	270 days	25%	5%
Repurchase agreements	Yes	75 days	25%	No Limit
Reverse repurchase agreements	Yes	75 days	15%	No Limit
Corporate medium-term notes	Yes	3-5 years	30%	5%
Money market mutual funds	Yes	N/A	20%	10%
Local agency investment fund ("LAIF")	Yes	N/A	N/A	\$50 million
Cal Trust money market funds and short-term funds	Yes	N/A	N/A	No Limit
Cal Trust medium-term funds	Yes	N/A	15%	No Limit

N/A - Not Applicable

* Based on state law requirements or investment policy requirements, whichever is more restrictive.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 3 – Cash and Investments (Continued)

Investments Authorized by Debt Agreements

Investment of debt proceeds held by fiscal agent is governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy. The table below identifies the investment types that are authorized for investments held by bond trustee. The table also identifies certain provisions of these debt agreements that address interest rate risk and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. treasury obligations	None	None	None
U.S. government sponsored enterprise securities	None	None	None
Banker's acceptances	360 days	None	None
Commercial paper	270 days	None	None
Money market mutual funds	None	None	None
Investment agreements	None	None	None
Local agency bonds	None	None	None
Medium term notes	None	None	None
Negotiable certificate of deposits	None	None	None
Local agency investment fund ("LAIF")	None	None	None

Fair Value Measurement

At June 30, 2019, investments are reported at fair value. The following table presents the fair value measurement of investments on a recurring basis and the levels within the fair value hierarchy in which the fair value measurements fall at June 30, 2019:

Investment Type	Measurement Inputs			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Uncategorized	Total
Treasury obligations	\$ 22,503,494	\$ -	\$ -	\$ 22,503,494
State investment pool	-	-	59,205,706	59,205,706
U.S. government sponsored enterprise securities ⁽¹⁾	-	58,255,831	-	58,255,831
Money market mutual funds	-	-	2,044,856	2,044,856
Medium-term notes ⁽¹⁾	-	25,561,684	-	25,561,684
Cash and investments held with fiscal agents:				
Money market mutual fund	2,051,200	8,551,315	1,663,188	12,265,703
Treasury obligations	55,575,039	-	-	55,575,039
Commercial paper ⁽¹⁾	-	1,104,307	-	1,104,307
Total	\$ 80,129,733	\$ 93,473,137	\$ 62,913,750	\$ 236,516,620

⁽¹⁾ Priced based on institutional bond quotes.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 3 – Cash and Investments (Continued)

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the City’s investments (including investments held by bond trustee) to market interest rate fluctuations is provided by the following table that shows the distribution of the City’s investments by maturity. For purposes of the schedule shown below, any callable securities are assumed to be held to maturity.

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1 Year	1 to 2 Years	2 to 3 Years	3 to 4 Years
Treasury obligations	\$ 22,503,494	\$ 8,958,123	\$ 8,029,678	\$ 3,013,593	\$ 2,502,100
State investment pool	59,205,706	59,205,706	-	-	-
U.S. government sponsored enterprise securities	58,255,831	32,810,907	14,948,733	5,399,392	5,096,800
Money market mutual funds	2,044,856	2,044,856	-	-	-
Medium-term notes	25,561,684	21,071,693	1,457,863	3,032,127	-
Cash and investments held with fiscal agents:					
Money market mutual fund	12,265,703	12,265,703	-	-	-
Treasury obligations	55,575,039	55,575,039	-	-	-
Commercial paper	1,104,307	1,104,307	-	-	-
Total	\$ 236,516,620	\$ 193,036,334	\$ 24,436,274	\$ 11,445,112	\$ 7,598,900

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented on the following page is the minimum rating required by (where applicable) the California Government Code, the City’s investment policy, or debt agreements, and the actual rating as of year-end for each investment type.

Investment Type	Amount	Minimum Legal Rating	Rating as of Fiscal Year End					Not Rate
			AAA	AA+	AA	AA-	A	
Treasury obligations	\$ 22,503,494	N/A	\$ -	\$ 22,503,494	\$ -	\$ -	\$ -	\$ -
State investment pool	59,205,706	N/A	-	-	-	-	-	59,205,706
U.S. government sponsored enterprise securities	58,255,831	N/A	-	58,255,831	-	-	-	-
Money market mutual funds	2,044,856	AAA	2,044,856	-	-	-	-	-
Medium-term notes	25,561,684	A	2,497,026	1,998,000	4,594,276	6,027,335	8,987,184	1,457,863
Cash and investments with fiscal agents:								
Money market mutual fund	12,265,703	A	12,265,703	-	-	-	-	-
Treasury obligations	55,575,039	N/A	-	55,575,039	-	-	-	-
Commercial paper	1,104,307	A	1,104,307	-	-	-	-	-
Total	\$ 236,516,620		\$ 17,911,892	\$ 138,332,364	\$ 4,594,276	\$ 6,027,335	\$ 8,987,184	\$ 60,663,569

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 3 – Cash and Investments (Continued)

Concentration of Credit Risk

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total City investments are as follows:

<u>Issuer</u>	<u>Investment type</u>	<u>Reported Amount</u>	<u>Maturity</u>	<u>% of the Portfolio</u>
Federal Home Loan Bank	U.S. government sponsored enterprise securities	\$ 17,429,530	2019-2022	10.40%
Federal Farm Credit Bank	U.S. government sponsored enterprise securities	16,975,765	2019-2023	10.13%
Freddie Mac	U.S. government sponsored enterprise securities	10,364,930	2019-2020	6.19%
Freddie Mae	U.S. government sponsored enterprise securities	13,485,607	2019-2022	8.05%

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments,

Disclosures Relating to Credit Risk

The market value of pledged securities must equal at least 110% of the City's cash deposits. California law also allows institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the City's total cash deposits. The City may waive collateral requirements for cash deposits, deposits, which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation ("FDIC"). The City did not waive the collateral requirement for deposits insured by FDIC.

For investments identified herein as held by bond trustee, the bond trustee selects the investment under the terms of applicable trust agreement, acquires the investment, and holds the investment on behalf of the reporting government.

Investment in State Investment Pool

The City is a participant in Local Agency Investment Fund ("LAIF") which is regulated by California Code Section 16429 under the oversight of the Treasurer of the State of California. The City's investments in LAIF at June 30, 2018 included a portion of pool funds invested in Structured Notes and Asset-Backed Securities:

Structured Notes are debt securities (other than asset-backed securities) whose cash-flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.

Asset-Backed Securities, the bulk of which are mortgage-backed securities, entitle their purchases to receive a share of the cash flows from pool of assets such as principal and interest repayments from a pool of mortgages (such as Collateralized Mortgage Obligations) or credit care receivables.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 3 – Cash and Investments (Continued)

Investment in State Investment Pool (Continued)

As of June 30, 2019, the City had \$59,205,706 invested in LAIF, which had invested 1.77% of the pool investment funds in Structured Notes and Asset-Backed Securities. LAIF determines fair value on its investment portfolio based on market quotations for those securities where market quotations are readily available and based on amortized cost or best estimate for those securities where market value is not readily available. The investment in LAIF is reported at net asset value. The credit quality rating of LAIF is unrated as of June 30, 2019.

Note 4 – Interfund Balances

A. Internal Balances

At June 30, 2019, the City had following internal receivable and payable, which represents internal service charges between the governmental activities and business-type activities:

	Internal Payable
Internal Receivable	Business-Type Activities
Governmental Activities	\$ 14,719,964

B. Due From and To Other Funds

At June 30, 2019, the individual fund interfund receivable payable balances are as follows:

	Due From Other Funds		
	Governmental Funds	Proprietary Funds	
	General Fund	Internal Service Fund	Total
Governmental Funds:			
Culver City Housing Authority			
Special Revenue Fund	\$ 1,436	\$ 13	\$ 1,449
Nonmajor Governmental	1,876,679	90	1,876,769
Proprietary Funds:			
Municipal Fiber Network	674,531	-	674,531
Internal Service Funds	605,664	-	605,664
Total	\$ 3,158,310	\$ 103	\$ 3,158,413

Interfund balances are the result of short term borrowing to cover negative cash balances and operating shortages at June 30, 2019 as well as from the time lag between the dates that reimbursable expenditures occur and the dates the related revenues are received. All balances are expected to be reimbursed within the subsequent year.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 4 – Interfund Balances (Continued)

C. Advances From and To Other Funds

At June 30, 2019, the individual fund advances to from balances are as follows:

Advances From Other Funds	Advances To Other Funds		
	Governmental Funds		
	General Fund	Culver City Housing Authority Fund	Total
Proprietary Funds:			
Municipal Fiber Network Fund	\$ 14,045,433	\$ -	\$ 14,045,433
Fiduciary Funds:			
Successor Agency Fund	-	19,375,821	19,375,821
Total	\$ 14,045,433	\$ 19,375,821	\$ 33,421,254

At June 30, 2019, the Municipal Fiber Network Fund owes the General Fund \$14,045,433 to cover the initial construction costs, on year of operating costs and also for a number of initial lateral connections. The loan was structured to be allowed repayment at the point where revenues exceed operating and depreciation costs. The loan was increased by \$1,865,000 as approved by the City Council. The loan was further increased by the deferred loan payments of \$512,253 and reduced by a loan forgiven of \$1,376,761 as the City Council approved to defer the annual working capital loan payments and to forgive the annual construction loan payments in FY18-19.

The Successor Agency Fund owes Culver City Housing Authority Fund \$9,075,893 for ERAF and SERAF, and \$10,299,928 for LMIHF which can only be paid pursuant to the maximum repayment amount defined in Health and Safety Code Section 34176(6)B. Because of this, the number of years it will take to repay this advance to the Successor Agency is unknown.

D. Transfers In and Out

Government-Wide Financial Statements

Transfers Out	Transfers In
Governmental Activities	Business-Type Activities
	\$ 1,472,842

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 4 – Interfund Balances (Continued)

D. Transfers In and Out (Continued)

Fund Financial Statements

For the year ended June 30, 2019, transfers in and out consisted of the following:

	Transfers In					
	Governmental Funds			Proprietary Funds		
	General Fund	Capital Improvement and Acquisition	Nonmajor Governmental	Municipal Bus Lines Fund	Municipal Fiber Network Fund	Total
Transfers Out						
Governmental Funds:						
General Fund	\$ -	\$ 2,790,000	\$ 41,785	\$ -	\$ 400,000	\$ 3,231,785
Culver City Housing Authority Funds	833,984	-	-	-	-	833,984
Nonmajor Governmental	1,599,999	-	266,317	1,372,842	-	3,239,158
Proprietary Funds:						
Municipal Bus Lines Fund	300,000	-	-	-	-	300,000
Total	<u>\$ 2,733,983</u>	<u>\$ 2,790,000</u>	<u>\$ 308,102</u>	<u>\$ 1,372,842</u>	<u>\$ 400,000</u>	<u>\$ 7,604,927</u>

- Transfers from General Fund to Capital Improvement and Acquisition Fund in the amount of \$2,790,000 were to cover capital and infrastructure projects costs.
- Transfers from General Fund to Nonmajor Governmental Funds in the amount of \$41,785 were to cover expenses not covered by associated grant funds.
- Transfers from General Fund to Municipal Fiber Network Fund in the amount of \$400,000 were to cover the operating expenses.
- Transfers from Culver City Housing Authority Fund to General Fund in the amount of \$833,984 were to cover housing administration costs.
- Transfers from Nonmajor Governmental Funds (Special Gas Tax Fund in the amount of \$399,999, Culver City Parking Authority Fund in the amount of \$1,200,000) to General Fund in the amount of \$1,599,999 were to cover street related maintenance costs, parking related costs, and closing funds.
- Transfers from Nonmajor Governmental Funds to Nonmajor Governmental Funds in the amount of \$266,317 were to offset operating and personnel costs of the Paratransit Program (Operating Grants Fund), consolidate parking related costs, and close funds.
- Transfers from Nonmajor Governmental Funds to Municipal Bus Lines Fund in the amount of \$1,372,842 were to transfer to pay for eligible transit related expenses.
- Transfers from Municipal Bus Lines Fund to General Fund in the amount of \$300,000 were to cover police overtime services for Bus Safety.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 5 – Notes Receivables

At June 30, 2019, the City had \$20,112,169 including both Governmental Activities and Business-Type Activities in various notes receivable as follows:

Governmental Activities:	<u>Notes Receivable</u>
General Fund:	
City Manager	\$ 1,055,596
All others under \$200,000 individually	145,818
Total General Fund	<u>1,201,414</u>
Culver City Housing Authority Special Revenue Fund:	
Culver City Mobile Home Owners, Inc.	1,223,104
MAP Loans	570,740
Tilden Terrace - Residential	11,805,000
Home Ownership Made Easy	412,250
Exceptional Children's Foundation ERAS Loans	305,060
Exceptional Children's Foundation Westside Opportunity Workshop	387,500
Habitat For Humanity of Greater Los Angeles	3,100,000
Subtotal	<u>17,803,654</u>
Less: allowance	<u>(2,327,914)</u>
Total Culver City Housing Authority Special Revenue Fund, net	<u>\$ 15,475,740</u>
Nonmajor Fund:	
CDBG Program Loans	\$ 38,820
Tilden Terrace - Commercial	3,395,000
Total Nonmajor Fund	<u>3,433,820</u>
Total Governmental Activities	<u>\$ 20,110,974</u>
 Business-Type Activities:	
Other Notes Receivable	\$ 1,195
Total Sewer Enterprise Fund	<u>1,195</u>
Total Business-Type Activities	<u>\$ 1,195</u>

A. City Manager Loan Agreement

On May 17, 2012, the City entered into a loan agreement with City Manager in the amount of \$1,200,000 with 1.0% interest rate and 30 years period. The balance of City Manager loan at June 30, 2019 was \$1,055,596. Refer to Note 15 for more details.

B. Culver City Mobile Home Owners, Inc.

On December 17, 1990, the former Culver City Redevelopment Agency entered into a promissory note with Culver City Mobile Home Owners, Inc. with a maximum loan amount in the amount of \$880,500 with 7.0% interest rate. Following the dissolution of the former Culver City Redevelopment Agency, the loan was transferred to the Housing Authority. The balance of the promissory note with accrued interest at June 30, 2019 was \$1,223,104.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 5 – Notes Receivables (Continued)

C. MAP Loans

The Housing Authority provides loan programs to the home owners of the City. The deferred loans are to be repaid upon sales of the home. As of June 30, 2019, all outstanding balances totaled to \$570,740.

D. Tilden Terrace - Residential

On February 22, 2012, the former Culver City Redevelopment Agency entered into a promissory note with Tilden Terrace, L.P. in the amount of \$11,805,000 with 3% interest rate. Following the dissolution of the former Culver City Redevelopment Agency, the loan was transferred to the Housing Authority. The balance of the promissory note at June 30, 2019 was \$11,805,000.

E. Home Ownership Made Easy

On April 20, 1992, the former Culver City Redevelopment Agency entered into a home loan agreement with Home Ownership Made Easy in the amount of \$412,250 with no interest. Following the dissolution of the former Culver City Redevelopment Agency, the loan was transferred to the Housing Authority. The balance of the home loan at June 30, 2019 was \$412,250.

F. Exceptional Children's Foundation ERAS Loans

On October 1, 1990, the former Culver City Redevelopment Agency entered into loan agreement with Educational Resources and Services Center Home (“ERAS”), a not-for-profit organization for the development of 6-unit group home for the developmentally disabled low and moderate income persons. On May 12, 2008, an assignment and assumption agreement were entered into, and the loan was assigned by ERAS to Exceptional Children’s Foundation, another not-for-profit organization. Following the dissolution of the former Culver City Redevelopment Agency, the loan was transferred to the Housing Authority. As of June 30, 2019, the outstanding balance of the loan was in the amount of \$305,060.

G. Exceptional Children's Foundation Westside Opportunity Workshop

On February 11, 1991, the former Culver City Redevelopment Agency entered into Financing Assistance Agreement with Westside Opportunity Workshop (“WOW”), a not-for-profit organization, to purchase a property in the City in the amount of \$390,500. The property is to be used as group home for developmentally disabled low and moderate income persons. On March 8, 2014, an assignment and assumption agreement was entered into, and the loan was assigned by WOW to Exceptional Children’s Foundation, another not-for-profit organization. Following the dissolution of the former Culver City Redevelopment Agency, the loan was transferred to the Housing Authority. As of June 30, 2019, the outstanding balance of the loan was in the amount of \$387,500.

H. Habitat For Humanity of Greater Los Angeles

The Housing Authority provides loan programs to the home owners of the City. The deferred loans are to be repaid upon sales of the home. As of June 30, 2019, all outstanding balances totaled to \$3,100,000.

I. Tilden Terrace - Commercial

On February 22, 2012, the former Culver City Redevelopment Agency entered into a promissory note with Tilden Terrace, L.P. in the amount of \$3,395,000 with 3% interest rate. Following the dissolution of the former Culver City Redevelopment Agency, the loan was transferred to the Housing Authority. The balance of the promissory note at June 30, 2019 was \$3,395,000.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 6 – Capital Assets

A. Governmental Activities

Summary of changes in capital assets for governmental activities for the year ended June 30, 2019 are as follows:

	Governmental Activities				Balance June 30, 2019
	Balance July 1, 2018	Additions	Deletions	Transfers	
Capital assets, not being depreciated:					
Land	\$ 21,362,700	\$ 175,764	\$ -	\$ -	\$ 21,538,464
Construction in progress	21,800,737	13,100,207	(497,705)	(5,112,001)	29,291,238
Total capital assets, not being depreciated	<u>43,163,437</u>	<u>13,275,971</u>	<u>(497,705)</u>	<u>(5,112,001)</u>	<u>50,829,702</u>
Capital assets, being depreciated:					
Building	75,416,642	-	-	-	75,416,642
Improvements	29,886,792	1,400,846	-	3,277,857	34,565,495
Machinery and equipment	46,509,167	4,368,737	(3,666,881)	-	47,211,023
Infrastructure	77,168,561	641,367	-	1,834,144	79,644,072
Total capital assets, being depreciated	<u>228,981,162</u>	<u>6,410,950</u>	<u>(3,666,881)</u>	<u>5,112,001</u>	<u>236,837,232</u>
Less accumulated depreciation:					
Building	(30,336,146)	(1,470,075)	-	-	(31,806,221)
Improvements	(18,156,941)	(1,312,272)	-	-	(19,469,213)
Machinery and equipment	(35,580,915)	(2,600,161)	3,626,274	-	(34,554,802)
Infrastructure	(25,436,355)	(1,502,525)	-	-	(26,938,880)
Total accumulated depreciation	<u>(109,510,357)</u>	<u>(6,885,033)</u>	<u>3,626,274</u>	<u>-</u>	<u>(112,769,116)</u>
Total capital assets, being depreciated, net	<u>119,470,805</u>	<u>(474,082)</u>	<u>(40,608)</u>	<u>5,112,001</u>	<u>124,068,116</u>
Governmental activities capital assets, net	<u>\$ 162,634,242</u>	<u>\$ 12,801,889</u>	<u>\$ (538,313)</u>	<u>\$ -</u>	<u>\$ 174,897,818</u>

Depreciation expense was charged to the following functions in the Statement of Activities:

General government	\$ 715,610
Parks, recreation, and community services	705,759
Police	530,812
Fire	414,032
Community development	635,565
Public works	2,321,820
Internal service funds	1,561,435
Total	<u>\$ 6,885,033</u>

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 6 – Capital Assets (Continued)

B. Business-Type Activities

Summary of changes in capital assets for business-type activities for the year ended June 30, 2019 are as follows:

	Business-Type Activities			Balance June 30, 2019
	Balance July 1, 2018	Additions	Deletions	
Capital assets, not being depreciated:				
Land	\$ 3,082,760	\$ -	\$ -	\$ 3,082,760
Construction in progress	11,256,397	5,298,504	-	16,554,901
Total capital assets, not being depreciated	<u>14,339,157</u>	<u>5,298,504</u>	<u>-</u>	<u>19,637,661</u>
Capital assets, being depreciated:				
Buildings	28,075,733	-	-	28,075,733
Improvements and other buildings	15,177,541	1,368	(102,618)	15,076,291
Machinery and equipment	50,002,927	353,062	(1,983,872)	48,372,117
Furniture and fixtures	446,938	-	(16,086)	430,852
Infrastructure	25,034,911	125,465	-	25,160,376
Investment in Hyperion	26,605,373	-	-	26,605,373
Total capital assets, being depreciated	<u>145,343,423</u>	<u>479,895</u>	<u>(2,102,576)</u>	<u>143,720,742</u>
Less accumulated depreciation:				
Buildings	(12,287,303)	(559,947)	-	(12,847,250)
Improvements and other buildings	(7,477,340)	(702,150)	51,736	(8,127,754)
Machinery and equipment	(29,973,838)	(2,829,302)	1,786,587	(31,016,553)
Furniture and fixtures	(415,578)	(6,494)	16,086	(405,986)
Infrastructure	(7,003,125)	(484,393)	-	(7,487,518)
Investment in Hyperion	(16,598,284)	(665,134)	-	(17,263,418)
Total accumulated depreciation	<u>(73,755,468)</u>	<u>(5,247,420)</u>	<u>1,854,409</u>	<u>(77,148,479)</u>
Total capital assets, being depreciated, net	<u>71,587,955</u>	<u>(4,767,525)</u>	<u>(248,167)</u>	<u>66,572,263</u>
Business-type activities capital assets, net	<u>\$ 85,927,112</u>	<u>\$ 530,979</u>	<u>\$ (248,167)</u>	<u>\$ 86,209,924</u>

Depreciation expense was charged in the following functions in the Statement of Activities:

Refuse Disposal	\$ 238,385
Municipal Bus Lines	3,369,812
Sewer Enterprise	<u>1,639,223</u>
Total depreciation expense	<u>\$ 5,247,420</u>

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 7 – Long-Term Liabilities

A. Governmental Activities

Summary of changes in governmental activities long-term liabilities for the year ended June 30, 2019 are as follows:

	Balance July 1, 2018	Additions	Deletions	Balance June 30, 2019	Due within One Year	Due in more than One Year
Compensated absences	\$ 12,835,730	\$ 7,473,239	\$ (8,128,231)	\$ 12,180,738	\$ 4,502,080	\$ 7,678,658
Claims and judgments	15,730,950	2,432,895	(2,193,224)	15,970,621	3,816,408	12,154,213
Total	<u>\$ 28,566,680</u>	<u>\$ 9,906,134</u>	<u>\$ (10,321,455)</u>	<u>\$ 28,151,359</u>	<u>\$ 8,318,488</u>	<u>\$ 19,832,871</u>

The general fund and internal services funds are typically used to liquidate the compensated absences payable, the net pension liability, and the other post employment benefit liability.

B. Business-Type Activities

Summary of changes in business-type activities long-term liabilities for the year ended June 30, 2019 are as follows:

	Balance July 1, 2018	Additions	Deletions	Balance June 30, 2019	Due within One Year	Due in more than One Year
Compensated absences	\$ 1,646,581	\$ 1,628,255	\$ (1,695,725)	\$ 1,579,111	\$ 707,916	\$ 871,195
2009 Wastewater Facilities Refunding						
Revenue Bonds	14,120,000	-	(885,000)	13,235,000	925,000	12,310,000
Total	<u>\$ 15,766,581</u>	<u>\$ 1,628,255</u>	<u>\$ (2,580,725)</u>	<u>\$ 14,814,111</u>	<u>\$ 1,632,916</u>	<u>\$ 13,181,195</u>

The refuse disposal, municipal bus lines, and sewer fund are are typically used to liquidate the compensated absences payable, the net pension liability, and the other post-employment benefit liability.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 8 – Bonds Payable

Business-Type Activities

2009 Series A Wastewater Facilities Refunding Revenue Bonds

The 2009 Series A Wastewater Facilities Refunding Revenue Bonds (2009 Bonds) dated July 10, 2009 were issued in the amount of \$20,085,000 with a final maturity date of September 1, 2029. The 2009 Bonds were issued to provide funds to (a) refinance the City's Wastewater Facilities Refunding Revenue Bonds, 1999 Series A, which were originally issued in the aggregate principal amount of \$25,080,000, of which \$18,075,000 remained outstanding, (b) fund a deposit to the Reserve Account, and (c) finance the costs of issuance of the 2009 Bonds.

A portion of the proceeds of the 2009 Bonds, together with certain other moneys to be released from funds relating to the 1999 Bonds was deposited in an escrow fund created pursuant to an Escrow Agreement, dated as of July 1, 2009, by and between the City and U.S. Bank National Association, an escrow bank. Moneys in the escrow fund are held as cash or invested solely in non-callable, direct general obligation of the United States of America. Moneys in the escrow fund, together with interest earnings thereon, were sufficient to pay all outstanding 1999 Bonds in full September 1, 2029, at a redemption price equal to 102% of the remaining principal amount to be redeemed, plus accrued interest thereon to the date of redemption.

The capital projects funded with a portion of the proceeds of the 2009 Bonds include the ongoing replacement of sewer transmission pipes and the construction and improvement of pump stations. The first payment of 2009 Bond principal was on September 1, 2010. Interest is paid semi-annually on March 1 and September 1 of each year.

The bonds maturing on or prior to September 1, 2019 are not subject to redemption prior to maturity. The bonds maturing on or after September 1, 2020 may be redeemed at the option of the City from any source of funds, on September 1, 2019 or thereafter prior to maturity, as a whole on any date or in part, in any order of maturity as determined by the City, or in the absence of direction by the City, pro rata among maturities, and by lot within each maturity, on any interest payment date, at a redemption price equal to 100 percent of the principal amount to be redeemed, plus accrued interest to the redemption date, without premium. The transaction also resulted in an economic gain of \$1,230,715 and a reduction of \$3,179,548 in future debt service payments.

The City has covenanted that it shall at all times prescribe, revise and collect rates, fees and charges for the use or service of the Sewer Enterprise Fund so that in each 12-month period such rates, fees and charges, together with other revenues reasonably expected to yield net revenues equal to at least 1.20 times the maximum annual debt service. The City is in compliance with such covenant at June 30, 2015.

Per the terms of the bond indenture, a reserve of \$1,608,838 is required to be maintained. At June 30, 2019, the reserve with fiscal agent was in the amount of \$1,663,167 and the total amount of 2009 Wastewater Refunding Revenue Bonds outstanding is \$13,235,000. The total amount of 1999 Series A Tax Allocation Refunding Revenue Bonds outstanding is \$0.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 8 – Bonds Payable (Continued)

Business-Type Activities (Continued)

2009 Series A Wastewater Facilities Refunding Revenue Bonds (Continued)

Future amounts to amortize the 2009 Wastewater Revenue Bonds are as follows:

Fiscal Year	Principal	Interest	Total
2020	\$ 925,000	\$ 656,463	\$ 1,581,463
2021	970,000	609,588	1,579,588
2022	1,020,000	559,838	1,579,838
2023	1,070,000	506,250	1,576,250
2024	1,130,000	448,500	1,578,500
2025-2029	6,590,000	1,265,719	7,855,719
2030	1,530,000	38,250	1,568,250
Total	\$ 13,235,000	\$ 4,084,608	\$ 17,319,608

Note 9 – Claims and Judgments

Self-Insurance

At June 30, 2019, the City was self-insured for workers' compensation claims, unemployment insurance, general automobile and public liability. The self- insurance program is accounted for in the Risk Management Internal Service Fund. At June 30, 2019, the City has recorded a liability in the amount of \$15,970,621 for unpaid workers' compensation and general liability claims, representing estimated amounts to be paid for actual claims and claims incurred but not reported, based upon actuarial evaluations for each plan.

The City pays all claims up to \$1,000,000 per occurrence with excess insurance coverage up to statutory limits. Claims over a \$1,000,000 up to \$30,000,000 are covered by insurance policies secured through AON.

During the past three fiscal years, none of the above programs of protection have had settlements or judgments that exceeded pooled or insured coverage. There have been no significant reductions in pooled or insured liability coverage from the prior fiscal year.

Changes in the claims and judgments payable amounts in three years ended June 30, 2019 are as follows:

Fiscal Years	Balance at Beginning of Fiscal Year Liability	Current Year Claims and Change in Estimates	Claim Payments	Balance at End of Fiscal Year Liability
2016-17	\$ 15,273,372	\$ 1,489,312	\$ (1,195,351)	\$ 15,567,333
2017-18	15,567,333	1,033,898	(870,281)	15,730,950
2018-19	15,730,950	2,432,895	(2,193,224)	15,970,621

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 10 – Pension Plans

A. California Public Employees’ Retirement System (“CalPERS”)

At June 30, 2019, net pension liabilities and related deferred outflows of resources and deferred inflows of resources are as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Deferred outflows of resources:			
Pension contribution made after measurement date:			
Miscellaneous	\$ 6,066,827	\$ 2,704,067	\$ 8,770,894
Safety	11,760,090	-	11,760,090
Difference in projected and actual earnings on pension investments:			
Miscellaneous	429,253	191,324	620,577
Safety	956,033	-	956,033
Difference between expected and actual experience:			
Miscellaneous	73,097	32,581	105,678
Safety	2,092,236	-	2,092,236
Change in assumption:			
Miscellaneous	2,931,190	1,306,470	4,237,660
Safety	10,395,305	-	10,395,305
Total deferred outflows of resources	<u>\$ 34,704,031</u>	<u>\$ 4,234,442</u>	<u>\$ 38,938,473</u>
Net pension liabilities:			
Miscellaneous	\$ 62,441,043	\$ 27,830,814	\$ 90,271,857
Safety	143,498,131	-	143,498,131
Total net pension liabilities	<u>\$ 205,939,174</u>	<u>\$ 27,830,814</u>	<u>\$ 233,769,988</u>
Deferred inflows of resources:			
Difference between expected and actual experience:			
Miscellaneous	\$ 561,232	\$ 250,148	\$ 811,380
Change in assumption:			
Miscellaneous	1,132,130	504,605	1,636,735
Safety	1,004,733	-	1,004,733
Difference in projected and actual earnings on pension investments:			
Safety	8,108	-	8,108
Total deferred inflows of resources	<u>\$ 2,706,203</u>	<u>\$ 754,753</u>	<u>\$ 3,460,956</u>
Pension Expense:			
Miscellaneous	\$ 9,420,144	\$ 4,198,685	\$ 13,618,829
Safety	18,766,090	-	18,766,090
	<u>\$ 28,186,234</u>	<u>\$ 4,198,685</u>	<u>\$ 32,384,919</u>

Plan Description

The City contributes to the California Public Employees’ Retirement System (“CalPERS”), an agent multiple-employer public employee defined benefit pension plan. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by state statute and City ordinance. A full description of the pension plan regarding number of employees covered, benefit provisions, assumptions (for funding, but not accounting purposes), and membership information are listed in the June 30, 2017 Annual Actuarial Valuation Report. This report and CalPERS’ audited financial statements are publicly available reports that can be obtained at CalPERS’ website under Forms and Publications.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 10 – Pension Plans (Continued)

A. California Public Employees’ Retirement System (“CalPERS”) (Continued)

Benefit Provided

CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries.

The plans’ provisions and benefits in effect for the measurement period ended June 30, 2018 are summarized as follows:

	City Miscellaneous Plan			
	Tier I	Tier II	Tier II	Tier IIIa
Hire date	Prior to July 1, 2011	Hired between July 1, 2011 - December 2012	Hired on or after January 1, 2013 (prior to PERS members)	On or after January 1, 2013 (New PERS members)
Benefit formula	2.5% @ 55	2% @ 60	2% @ 60	2% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service	5 years service
Benefit payments	Monthly for life	Monthly for life	Monthly for life	Monthly for life
Retirement age	50-55	50-63	50-63	52-67
Monthly benefits, as a % of eligible compensation	2.0%-2.5%	1.092%-2.418%	1.092%-2.418%	1.0%-2.5%
Required employee contribution rates	8.00%	7.00%	7.00%	6.25%
Required employer contribution rates	20.628%	20.628%	20.628%	20.628%
	City Safety Plan - Police			
	Tier I	Tier II	Tier II	Tier IIIa
Hire date	Prior to July 1, 2011	Hired between July 1, 2011 - December 2012	Hired on or after January 1, 2013 (prior to PERS members)	On or after January 1, 2013 (New PERS members)
Benefit formula	3% @ 55	3% @ 55	3% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service	5 years service
Benefit payments	Monthly for life	Monthly for life	Monthly for life	Monthly for life
Retirement age	50-55	50-55	50-55	50-57
Monthly benefits, as a % of eligible compensation	3%	2.4%-3.0%	2.4%-3.0%	2.0%-2.7%
Required employee contribution rates	Total 9%. 9% paid by City (EPMC) for management	Total 9%. 9% paid by City (EPMC) for management	Total 9%. 9% paid by City (EPMC) for management	11.00%
Required employer contribution rates	Total 42.036%. Management employees pay 9% of employer cost through cost-sharing	Total 42.036%. Management employees pay 9% of employer cost through cost-sharing	Total 42.036%. Management employees pay 9% of employer cost through cost-sharing	42.036%

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 10 – Pension Plans (Continued)

A. California Public Employees’ Retirement System (“CalPERS”) (Continued)

General Information about the Pension Plan

Benefit Provided (Continued)

	City Safety Plan - Fire			
	Tier I	Tier II	Tier II	Tier IIIa
Hire date	Prior to July 1, 2011	Hired between July 1, 2011 - December 2012	Hired on or after January 1, 2013 (prior to PERS members)	On or after January 1, 2013 (New PERS members)
Benefit formula	3% @ 55	3% @ 55	3% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service	5 years service
Benefit payments	Monthly for life	Monthly for life	Monthly for life	Monthly for life
Retirement age	50-55	50-55	50-55	50-57
Monthly benefits, as a % of eligible compensation	2.4%-3.0%	2.4%-3.0%	2.4%-3.0%	2.0%-2.7%
Required employee contribution rates	Total 9%. 9% paid by City (EPMC) for management	Total 9%. 9% paid by City (EPMC) for management	Total 9%. 9% paid by City (EPMC) for management	11.00%
Required employer contribution rates	Total 42.036%. Management employees pay 9% of employer cost through cost-sharing	Total 42.036%. Management employees pay 9% of employer cost through cost-sharing	Total 42.036%. Management employees pay 9% of employer cost through cost-sharing	42.036%

Participant is eligible for non-industrial disability retirement if becomes disabled and has at least 5 years of credited service. There is no special age requirement. The standard non-industrial disability retirement benefit is a monthly allowance equal to 1.8 percent of final compensation, multiplied by service. Industrial disability benefits are not offered.

An employee's beneficiary may receive the basic death benefit if the employee dies while actively employed. The employee must be actively employed with the City to be eligible for this benefit. An employee's survivor who is eligible for any other pre-retirement death benefit may choose to receive that death benefit instead of this basic death benefit. The basic death benefit is a lump sum in the amount of the employee's accumulated contributions, where interest is currently credited at 7.5 percent per year, plus a lump sum in the amount of one-month salary for each completed year of current service, up to a maximum of six months' salary. For purposes of this benefit, one month's salary is defined as the member's average monthly full-time rate of compensation during the 12 months preceding death.

Upon the death of a retiree, a one-time lump sum payment of \$500 will be made to the retiree's designated survivor(s), or to the retiree's estate.

Benefit terms provide for annual cost-of-living adjustments to each employee’s retirement allowance. Beginning the second calendar year after the year of retirement, retirement and survivor allowances will be annually adjusted on a compound basis by 2 percent.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 10 – Pension Plans (Continued)

A. California Public Employees’ Retirement System (“CalPERS”) (Continued)

General Information about the Pension Plan (Continued)

Benefit Provided (Continued)

Employees Covered by Benefit Terms

At June 30, 2017, the valuation date, the following employees were covered by the benefit terms:

	Plans	
	Miscellaneous	Safety
Active employees	479	160
Transferred and terminated employees	620	62
Retired Employees and Beneficiaries	611	290
Total	1710	512

Contributions

Section 20814(c) of the California Public Employees’ Retirement Law (“PERL”) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS’ annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions.

Net Pension Liability

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

For the measurement period ended June 30, 2018, the total pension liability was determined by rolling forward the June 30, 2017 total pension liability. The June 30, 2018 total pension liabilities were based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table	Derived using CalPERS’ Membership Data for all Funds.
Post Retirement Benefit Increase	Contract COLA up to 2.00% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.50% thereafter

¹ The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using the Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS’ website at www.calpers.ca.gov under Forms and Publications.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 10 – Pension Plans (Continued)

A. California Public Employees’ Retirement System (“CalPERS”) (Continued)

Net Pension Liability (Continued)

Change of Assumptions

In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate.

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of the funds’ asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The expected real rates of return by asset class are as followed:

Asset Class ¹	New Strategic Allocation	Real Return Years 1 - 10 ²	Real Return Years 11+ ³
Global equity	50.00%	4.80%	5.98%
Fixed income	28.00%	1.00%	2.62%
Inflation assets	0.00%	0.77%	1.81%
Private equity	8.00%	6.30%	7.23%
Real assets	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
Total	100.00%		

¹ In the System’s CAFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

² An expected inflation of 2.00% used for this period.

³ An expected inflation of 2.92% used for this period.

Discount Rate

The discount rate used to measure the total pension liability was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 10 – Pension Plans (Continued)

A. California Public Employees’ Retirement System (“CalPERS”) (Continued)

Changes in the Net Pension Liability

The following tables show the changes in net pension liability recognized over the measurement period.

Miscellaneous Plan			
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
	(a)	(b)	(c) = (a) - (b)
Balance at June 30, 2017 (Valuation Date)	\$ 292,704,235	\$ 200,186,834	\$ 92,517,401
Changes Recognized for the Measurement Period:			
Service Cost	5,840,702	-	5,840,702
Interest on the total pension liability	20,506,704	-	20,506,704
Changes of benefit terms	143,405	-	143,405
Difference between expected and actual experience	164,388	-	164,388
Changes of assumptions	(2,546,031)	-	(2,546,031)
Plan to plan resource movement	-	(495)	495
Contributions from the employer	-	7,730,160	(7,730,160)
Contributions from employees	-	2,694,597	(2,694,597)
Net investment income	-	16,834,787	(16,834,787)
Administrative expenses	-	(311,946)	311,946
Other miscellaneous income/(expense)	-	(592,391)	592,391
Benefit payments, including refunds of employee contributions	(13,158,591)	(13,158,591)	-
Net Changes during July 1, 2017 to June 30, 2018	<u>\$ 10,950,577</u>	<u>\$ 13,196,121</u>	<u>\$ (2,245,544)</u>
Balance at June 30, 2018 (Measurement Date)	<u>\$ 303,654,812</u>	<u>\$ 213,382,955</u>	<u>\$ 90,271,857</u>

Safety Plan			
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
	(a)	(b)	(c) = (a) - (b)
Balance at June 30, 2017 (Valuation Date)	\$ 379,084,592	\$ 237,256,079	\$ 141,828,513
Changes Recognized for the Measurement Period:			
Service Cost	6,298,282	-	6,298,282
Interest on the total pension liability	26,642,025	-	26,642,025
Changes of benefit terms	-	-	-
Difference between expected and actual experience	1,418,628	-	1,418,628
Changes of assumptions	(1,351,192)	-	(1,351,192)
Plan to plan resource movement	-	(581)	581
Contributions from the employer	-	10,375,287	(10,375,287)
Contributions from employees	-	2,163,272	(2,163,272)
Net investment income	-	19,871,943	(19,871,943)
Administrative expenses	-	(369,710)	369,710
Other miscellaneous income/(expense)	-	(702,086)	702,086
Benefit payments, including refunds of employee contributions	(19,370,885)	(19,370,885)	-
Net Changes during July 1, 2017 to June 30, 2018	<u>\$ 13,636,858</u>	<u>\$ 11,967,240</u>	<u>\$ 1,669,618</u>
Balance at June 30, 2018 (Measurement Date)	<u>\$ 392,721,450</u>	<u>\$ 249,223,319</u>	<u>\$ 143,498,131</u>

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 10 – Pension Plans (Continued)

A. California Public Employees’ Retirement System (“CalPERS”) (Continued)

Changes in the Net Pension Liability (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the plans as of the measurement date, calculated using the discount rate of 7.15%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.15%) or 1 percentage-point higher (8.15%) than the current rate:

	Plan's Net Pension Liability/(Asset)		
	Discount Rate - 1%	Current Discount	Discount Rate + 1%
	(6.15%)	Rate (7.15%)	(8.15%)
Miscellaneous Plan	\$ 130,645,558	\$ 90,271,857	\$ 56,876,896
Safety Plan	\$ 196,168,663	\$ 143,498,131	\$ 100,244,643

Pension Plan Fiduciary Net Position

Detailed information about the plan’s fiduciary net position is available in the separately issued CalPERS financial report.

Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

For the measurement period ending June 30, 2018, the City incurred a pension expense of \$13,618,829 and \$18,766,090 for Miscellaneous and Safety plans, respectively.

As of measurement date of June 30, 2018, the City has deferred outflows and deferred inflows of resources related to pensions as follows:

	Miscellaneous Plan	
	Deferred outflows of resources	Deferred inflows of resources
Pension contribution made after measurement date	\$ 8,770,894	\$ -
Difference between expected and actual experience	105,678	(811,380)
Changes of assumptions	4,237,660	(1,636,735)
Net difference between projected and actual earning on pension plan investments	620,577	-
Total	\$ 13,734,809	\$ (2,448,115)

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 10 – Pension Plans (Continued)

A. California Public Employees’ Retirement System (“CalPERS”) (Continued)

Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions (Continued)

	Safety Plan	
	Deferred outflows of resources	Deferred inflows of resources
Pension contribution made after measurement date	\$ 11,760,090	\$ -
Difference between expected and actual experience	2,092,236	(8,108)
Changes of assumptions	10,395,305	(1,004,733)
Net difference between projected and actual earning on pension plan investments	956,033	-
Total	\$ 25,203,664	\$ (1,012,841)

The amounts above are net of outflows and inflows recognized in the 2017-18 measurement period expense.

The expected average remaining service lifetime (“EARSL”) is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired). The EARSL for the miscellaneous plan and safety plan for the 2017-18 measurement period is 2.8 and 3.9 years, which was obtained by dividing the total service years of 4,725 and 2,007 (the sum of remaining service lifetimes of the active employees) by 1,710 and 512 (the total number of participants: active, inactive, and retired), respectively.

The \$8,770,894 and \$11,760,090 reported as deferred outflows of resources related to pension resulting from the City’s contributions subsequent to the measurement date during the year ended June 30, 2019 will be recognized as a reduction of the net pension liability in the year ending June 30, 2020. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

	Deferred Outflows/ (Inflows) of Resources	Deferred Outflows/ (Inflows) of Resources
Measurement Period Ended June 30	Miscellaneous Plan	Safety Plan
2019	\$ 5,133,737	\$ 9,722,409
2020	(79,169)	5,719,390
2021	(1,994,085)	(2,363,576)
2022	(544,683)	(647,490)
2023	-	-
Thereafter	-	-
Total	\$ 2,515,800	\$ 12,430,733

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 10 – Pension Plans (Continued)

B. Public Agency Retirement Services (“PARS”)

The City established the City of Culver City Alternative Retirement System, with PARS. Under PARS, the City participates in the defined contribution plan to benefit part time, seasonal and temporary employees not currently eligible for CalPERS. Pursuant to the PARS agreement, the PARS trust is administered by Phase II Systems with Union Bank of California acting as trustee. In accordance with the PARS trust agreement, the City does not manage the plan’s assets or perform distributions to employees out of the plan. Phase II Systems and Union Bank of California perform these functions.

The PARS trust, authorized under the Internal Revenue Code Section 401(a) and Government Code Sections 53215-53224 and 2000, maintains the following general provisions.

- Eligibility – Part-time employees who work less than 1,000 hours per fiscal year
- Eligible employees shall participate while not accruing a benefit under social security or PERS.
- Eligible employees and the City contribute 4 and 3.5 percent of compensation on a pre-tax basis, respectively.
- Contributions and distributions of the plan are not obligations of the City, and
- Amendments to the plan are subject to the discretion of the City

The City recognized pension expenses related to PARS plan in the amount of \$81,436 for the year ended June 30, 2019.

Note 11 – Other Postemployment Benefits (“OPEB”)

At June 30, 2019, net OPEB liability and related deferred outflows of resources and deferred inflows of resources are as follows:

	Governmental Activities	Business-Type Activities	Total
Deferred outflows of resources:			
Change in assumption	\$ 4,163,096	\$ 618,904	\$ 4,782,000
Total deferred outflows of resources	\$ 4,163,096	\$ 618,904	\$ 4,782,000
Net OPEB liabilities:	\$ 73,957,565	\$ 10,994,868	\$ 84,952,433
Total net OPEB liabilities	\$ 73,957,565	\$ 10,994,868	\$ 84,952,433
Deferred inflows of Resources:			
Net difference between projected and actual earning on pension plan investments	\$ 284,304	\$ 42,266	\$ 326,570
Change in assumption	127,975	19,025	147,000
Difference between expected and actual experience	9,056,603	1,346,397	10,403,000
Total deferred inflows of resources	\$ 9,468,882	\$ 1,407,688	\$ 10,876,570

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 11 – Other Postemployment Benefits (“OPEB”) (Continued)

Plan Description

In addition to the retirement plan described in Note 10, the City of Culver City’s Retiree Health Insurance Program (“OPEB Plan”) provides retiree healthcare benefits for eligible City employees and their spouses who retire with CalPERS pension benefits immediately upon termination of employment from the City. Benefit provisions are established and may be amended by the City Council.

Under the program, the City pays a portion of the premiums for retiree medical coverage as follows:

- Participants who retired before January 1, 2007 are eligible for a City contribution up to 100% of the average of Kaiser and PERS Care Premiums.
- Participants who retired between January 1, 2007 and December 31, 2011 are eligible for a City contribution up to 70% of the PERS Care premium or 95% of the premium for all other plans. Additionally, participants meeting the following additional criteria are also eligible for this benefit level (excluding members of the Culver City Police Officers Association):
 - Employed with the City as of July 1, 2011.
 - Earned a minimum of twenty years of CalPERS service credit (excluding additional retirement service credit purchased under California Government Code Section 20909, i.e., “Air-Time”) as of December 31, 2011.
 - Earn twenty-five years of service with Culver City and retire from the City prior to January 1, 2022.
- Participants employed by the City as of July 1, 2011 and retired after December 31, 2011 earning a minimum of five years of City service are eligible for the following benefit:
 - A monthly premium reimbursement of up to \$542 for single coverage, increasing by up to 4% per year.
 - An additional monthly reimbursement of up to \$473 for his or her enrolled spouse/domestic partner/dependent based on a vesting schedule. This additional reimbursement ends when a spouse or domestic partner becomes Medicare eligible, or when a dependent ages out. This amount is subject to an annual increase of up to 4%.
 - Participants with at least twenty years of City service that were members of the Culver City Police Officers Association with more than one enrolled dependent are eligible for an additional \$300 per month reimbursement.
- Employees hired after July 1, 2011 are not considered participants, and are only eligible for the legally required Public Employees’ Medical and Hospital Care Act minimum, as stipulated by CalPERS.

Eligibility

Employees of the City are eligible for retiree health benefits if they are between 50-55 years of age as of the last day of work prior to retirement and are a vested member of CalPERS. Membership in the plan consisted of the following at June 30, 2017, the date of the latest actuarial valuation:

Active plan members	635
Inactive employees or beneficiaries currently receiving benefit payments	532
Inactive employees entitled to but not yet receiving benefit payments	70
Total	1,237

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 11 – Other Postemployment Benefits (“OPEB”) (Continued)

Contribution

The obligation of the City to contribute to the plan is established and may be amended by the City Council. For the fiscal year ended June 30, 2019, the City’s average contribution rate was not applicable. Employees are not required to contribute to the plan.

Net OPEB Liability

The City's net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2017.

Actuarial assumptions

The total OPEB liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount rate	6.50%
Inflation	2.75%
Aggregate payroll increases	3.00%
Expected long-term investment rate of return	6.50%
Mortality, termination, and disability	CalPERS 1997-2015 Experience Study
Mortality improvement	Mortality projected fully generational with Scale P-2017
PPACA high cost plan excise tax	2% load on cash subsidy
Medical trend	Non-Medicare: 7.50% for 2019, decreasing to an ultimate rate of 4.00% in 2076; Medicare: 6.50% for 2019, decreasing to an ultimate rate of 4.0% in 2076.

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2016 through June 30, 2017.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Expected Real Rate of Return
Growth Assets:		
Domestic Equity	44.00%	4.53%
Foreign Equity	23.00%	4.93%
Fixed Income	33.00%	1.47%
Total	100.00%	

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 11 – Other Postemployment Benefits (“OPEB”) (Continued)

Net OPEB Liability (Continued)

Discount Rate

The discount rate used to measure the total OPEB liability was 6.50 percent. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Change in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (c) = (a) - (b)
Balance at June 30, 2018	\$ 127,911,000	\$ 39,943,000	\$ 87,968,000
Changes Recognized for the Measurement Period:			
Service Cost	2,525,145	-	2,525,145
Interest on the total OPEB liability	8,285,252	-	8,285,252
Changes of benefit terms	-	-	-
Difference between expected and actual experience	-	-	-
Changes of assumptions	-	-	-
Contributions from the employer	-	11,176,363	(11,176,363)
Net investment income	-	2,661,837	(2,661,837)
Administrative expenses	-	(12,236)	12,236
Benefit payments	(5,941,435)	(5,941,435)	-
Net Changes during July 1, 2018 to June 30, 2019	\$ 4,868,962	\$ 7,884,529	\$ (3,015,567)
Balance at June 30, 2019 (Measurement Date)	\$ 132,779,962	\$ 47,827,529	\$ 84,952,433

Sensitivity of the net OPEB liability to changes in the discount rate

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50 percent) or 1-percentage-point higher (7.50 percent) than the current discount rate:

Plan's Net OPEB Liability/(Asset)		
Discount Rate - 1% (5.50%)	Current Discount Rate (6.50%)	Discount Rate + 1% (7.50%)
\$ 101,996,899	\$ 84,952,433	\$ 70,869,147

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 11 – Other Postemployment Benefits (“OPEB”) (Continued)

Change in the Net OPEB Liability (Continued)

Sensitivity of the net OPEB liability to changes in the health care cost trend rates

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6.50 percent decreasing to 4.00 percent) or 1-percentage-point higher (8.50 percent decreasing to 4.00 percent) than the current healthcare cost trend rates:

Plan's Net OPEB Liability/(Asset)		
Discount Rate - 1%	Healthcare Cost Tread Rates	Discount Rate + 1%
(6.50% decreasing to 4.00%)	(7.50% decreasing to 4.00%)	(8.50% decreasing to 4.00%)
\$ 69,178,362	\$ 84,952,433	\$ 103,048,035

OPEB plan fiduciary net position. Detailed information about the OPEB plan's fiduciary net position is available in the separately issued plan financial report.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2019, the City recognized OPEB expense of \$4,493,366. At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and actual earnings	\$ -	\$ (326,570)
Difference between expected and actual experience	-	(10,403,000)
Changes in assumptions	4,782,000	(147,000)
Total	\$ 4,782,000	\$ (10,876,570)

The difference between projected OPEB plan investment earnings and actual earnings is amortized over a five-year period. The remaining gains and losses are amortized over the expected average remaining service life. The expected average remaining service life is 5.0 years, which was determined as of June 30, 2018, the beginning of the measurement period, for employees covered by the OPEB plan benefit terms as of the valuation date.

Amount reported as deferred outflows of resources related to OPEB will be recognized as future OPEB expense as follows:

Measurement Period Ended June 30	Deferred Outflows/ (Inflows) of Resources
2020	\$ (3,257,892)
2021	(1,179,892)
2022	(891,892)
2023	(764,894)
2024	-
Thereafter	-
Total	\$ (6,094,570)

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 12 – Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits employees to defer a portion of their salary until future years. In addition, there is a 401(a) plan allowed for one individual.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts are held in trust for the exclusive benefit of the employee participants and their beneficiaries. Therefore, the accumulated assets of the plan are not reported in the funds of the City. Pursuant to guidelines applicable to 401(a) plans, these assets are also not reported.

While the City has full power and authority to administer and to adopt rules and regulations for the plan, all investment decisions under the plan are the responsibility of the plan participants. The City has no liability for losses under the plan, but does have the duty of due care that would be required of an ordinary prudent investor. Under certain circumstances, employees may modify their arrangements with the plan to provide for greater or lesser contributions or to terminate their participation. If participants retire under the plan or terminate service with the City, they may be eligible to receive payments under the plan in accordance with provisions thereof. In the event of serious financial emergency, the City may approve, upon request, withdrawals from the plan by participants, along with their allocated contributions. The plan assets are not included in the accompanying financial statements.

Note 13 – Contingencies

The City is a defendant in various lawsuits which have arisen in the normal course of business. While damages are alleged in some of these actions, their outcome cannot be predicted with certainty.

Department of Finance (“DOF”)

For almost four years, beginning in December 2013, the Successor Agency was involved in litigation with the DOF and the Los Angeles County Auditor/Controller. The DOF and County challenged a transfer of \$12.5 million in tax increment revenue by the Successor Agency to the City, and the Successor Agency challenged the efforts of the DOF and County to recover the disputed transfer through successive reductions by the County to the allotment of tax increment revenue to the Successor Agency. The trial court concluded that the DOF is not entitled to any further remedy against the Successor Agency related to the transfer, and in August 2018 the Court of Appeal (Third Appellate District) agreed. The Court of Appeal ruling is final. The Dissolution Act establishes a statutory remedy for the recovery of the disputed amount from the City and the State Controller has ordered the City to return the disputed amount to the Successor Agency. The State Controller’s order is subject to administrative and judicial review which the City may elect to undertake.

Additional information and detailed attachments related to this matter have been posted on the Municipal Securities Rulemaking Board – Electronic Municipal Market Access website, as well as in prior year’s financial statements.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 14 – Classification of Fund Balances

At June 30, 2019, fund balances are classified as follows:

	General Fund	Culver City Housing Authority	Capital Improvement and Acquisition	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable					
Notes receivable	\$ 1,201,414	\$ -	\$ -	\$ -	\$ 1,201,414
Advances to other funds	14,045,433	-	-	-	14,045,433
Total nonspendable	<u>15,246,847</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,246,847</u>
Restricted					
Pension trust	10,602,535	-	-	-	10,602,535
Other purposes	-	-	-	4,092,321	4,092,321
Redevelopment	-	-	6,987,384	7,890,446	14,877,830
Street maintenance	-	-	-	991,769	991,769
Housing authority	-	42,640,456	-	1,231,916	43,872,372
Road construction	-	-	-	3,196,844	3,196,844
Equipment purchases	-	-	-	2,273,545	2,273,545
Construction of capital assets	-	-	-	1,353,080	1,353,080
Total restricted	<u>10,602,535</u>	<u>42,640,456</u>	<u>6,987,384</u>	<u>21,029,921</u>	<u>81,260,296</u>
Committed					
Contingency	36,232,231	-	-	-	36,232,231
Facility planning	11,061,597	-	-	11,699,399	22,760,996
Recreation facilities	1,611,844	-	-	8,768,062	10,379,906
Total committed	<u>48,905,672</u>	<u>-</u>	<u>-</u>	<u>20,467,461</u>	<u>69,373,133</u>
Assigned					
Contracts	102,866	-	-	-	102,866
Total assigned	<u>102,866</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>102,866</u>
Unassigned (deficit)	<u>20,709,758</u>	<u>-</u>	<u>-</u>	<u>(2,047,587)</u>	<u>18,662,171</u>
Total fund balance	<u>\$ 95,567,678</u>	<u>\$ 42,640,456</u>	<u>\$ 6,987,384</u>	<u>\$ 39,449,795</u>	<u>\$ 184,645,313</u>

There were no significant encumbrances outstanding at June 30, 2019.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 15 – Related Party Transactions

On May 15, 2012 the City loaned the City Manager \$711,000 secured by a Deed of Trust on residential real estate in the City of Culver City. The loan was pursuant to an employment agreement and for the purpose of incentivizing local residency. In addition, the loan bears interest initially at 0.867% per year which is one-half percentage points greater than the effective yield on investments in the State of California Local Agency Investment Fund for April 2011 and is subject to adjustment every August 1, based on the loan terms. Biweekly accrued interest is the minimum loan repayment although loan principal and interest can be paid. Payoff of the loan is the earlier of loan repayment of principal and interest or within twenty-four months of leaving employment with the City.

On June 17, 2013 the City loaned the City Manager additional \$489,000 for the improvement of the Culver City residence. The loan was secured by Second Deed of Trust on residential real estate in the City of Culver City. The loan bears the same rate and term as the initial \$711,000 loan and interest on this loan shall begin to accrue on July 1, 2013. As of June 30, 2019, the total balance of both loans outstanding was \$1,055,596. Interest payments received during the fiscal year was \$21,035.

Note 16 – Successor Agency Trust for Assets and Liabilities of Former Redevelopment Agency

On June 29, 2011, Assembly Bills 1x 26 (the “Dissolution Act”) and 1x 27 (the “Continuation Act”) were enacted as part of the FY 2011-12 state budget package. The Dissolution Act required each California redevelopment agency to suspend nearly all activities except to implement existing contracts, meet already-incurred obligations, preserve its assets and prepare for impending dissolution. Assembly Bill 1x 27 provided a means for redevelopment agencies to continue to exist and operate by means of a Voluntary Alternative Redevelopment Program.

The League of California Cities and the California Redevelopment Association (CRA) filed a lawsuit on July 18, 2011 on behalf of cities, counties and redevelopment agencies petitioning the California Supreme Court to overturn the Dissolution Act and Assembly Bill 1x 27 on the grounds that these bills violate the California Constitution.

On December 29, 2011, the California Supreme Court upheld the Dissolution Act and struck down the Continuation Act.

On June 27, 2012, as part of the FY 2012-13 state budget package, the Legislature passed and the Governor signed AB 1484, which made technical and substantive amendments to the Dissolution Act based on experience to-date at the state and local level in implementing the Dissolution Act.

Under the Dissolution Act, each California redevelopment agency (each a “Dissolved RDA”) was dissolved as of February 1, 2012, and the sponsoring community that formed the Dissolved RDA, together with other designated entities, have initiated the process under the Dissolution Act to unwind the affairs of the Dissolved RDA. A Successor Agency was created for each Dissolved RDA which is the sponsoring community of the Dissolved RDA unless it elected not to serve as the Successor Agency. On January 9, 2012, the City adopted a Resolution electing to serve as the Successor Agency to the Culver City Redevelopment Agency.

The Dissolution Act allowed the sponsoring community that formed the Dissolved RDA to elect to assume the housing functions and take over the certain housing assets of the Dissolved RDA. AB 1484 modified and provided some clarifications on the treatment of housing assets under the Dissolution Act. The Culver City Housing Authority elected to serve as the Housing Successor Agency on January 9, 2012. Prior to February 1, 2012, the activities of the Dissolved RDA were reported in the governmental funds statements of the City. After the date of dissolution, the housing assets, obligations, and activities of the Dissolved RDA are reported in a fiduciary fund in the financial statements of the City.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 16 – Successor Agency Trust for Assets and Liabilities of Former Redevelopment Agency (Continued)

All other assets, obligations, and activities of the Dissolved RDA have also been transferred and are reported in a fiduciary fund (private-purpose trust fund) in the financial statements of the City.

The Dissolution Act and AB 1484 also establish roles for the County Auditor-Controller, the California Department of Finance (the “DOF”) and the California State Controller’s office in the dissolution process and the satisfaction of enforceable obligations of the Dissolved RDAs.

The County Auditor-Controller is charged with establishing a Redevelopment Property Tax Trust Fund (the “RPTFF”) for each successor agency and depositing into the RPTFF for each six-month period the amount of property taxes that would have otherwise been paid to the Dissolved RDA as property tax increment. The deposit in the RPTFF fund is to be used to pay to the successor agency the amounts due on the successor agency’s enforceable obligations for the upcoming six-month period.

The successor agency is required to prepare an annual recognized obligation payment schedule (the “ROPS”) approved by the oversight board setting forth the amounts due for each enforceable obligation during each of two six month periods during the fiscal year. The ROPS is submitted to the DOF for approval. The County Auditor-Controller will make payments to the successor agency from the RPTFF based on the ROPS amount approved by the DOF. The ROPS is prepared in advance for the enforceable obligations due over the next twelve months.

The process of making RPTFF deposits to be used to pay enforceable obligations of the Dissolved RDA will continue until all enforceable obligations have been paid in full and all non-housing assets of the Dissolved RDA have been liquidated.

The State Controller of the State of California has been directed to review the propriety of any transfers of assets between Dissolved RDA and other public bodies that occurred after January 1, 2011. If the public body that received such transfers is not contractually committed to a third party for the expenditure or encumbrance of those assets, the State Controller is required to order the available assets to be transferred to the public body designated as the successor agency.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 16 – Successor Agency Trust for Assets and Liabilities of Former Redevelopment Agency (Continued)

Summary of changes in capital asset for the year ended June 30, 2019 is as follows:

	Balance July 1, 2018	Additions	Deletions	Balance June 30, 2019
Capital assets, not being depreciated:				
Land	\$ 8,316,229	\$ -	\$ -	\$ 8,316,229
Total capital assets, not being depreciated	8,316,229	-	-	8,316,229
Capital assets, being depreciated:				
Buildings	3,429,740	-	-	3,429,740
Improvements	363,598	-	-	363,598
Infrastructure	2,606,379	-	-	2,606,379
Total capital assets, being depreciated	6,399,717	-	-	6,399,717
Less accumulated depreciation:				
Buildings	(710,823)	(68,593)	-	(779,416)
Improvements	(180,080)	(18,180)	-	(198,260)
Infrastructure	(466,635)	(52,128)	-	(518,763)
Total accumulated depreciation	(1,357,538)	(138,901)	-	(1,496,439)
Total capital assets, being depreciated, net	5,042,179	(138,901)	-	4,903,278
Fiduciary Fund				
capital assets, net	\$ 13,358,408	\$ (138,901)	\$ -	\$ 13,219,507

Summary of changes in long-term liabilities for the year ended June 30, 2019 is as follows:

	Balance July 1, 2018	Additions	Deletions	Balance June 30, 2019	Due within One Year	Due in more than One Year
2011 A Tax Exempt Tax Allocation						
Revenue Bonds (CABS)	\$ 13,827,887	\$ -	\$ -	\$ 13,827,887	\$ 1,476,222	\$ 12,351,665
Accreted Interest on 2011 A Tax						
Allocation Bonds	10,187,803	1,883,396	-	12,071,199	-	12,071,199
2011 B Tax Exempt Tax Allocation						
Revenue Bonds	18,815,000	-	(4,235,000)	14,580,000	2,000,000	12,580,000
2017 A Tax Allocation Bonds	74,785,000	-	-	74,785,000	-	74,785,000
2017 B Tax Allocation Bonds	23,650,000	-	(11,140,000)	12,510,000	10,950,000	1,560,000
Advances from Culver City Housing Authority	22,855,821	-	(3,480,000)	19,375,821	-	19,375,821
Subtotal	\$164,121,511	\$ 1,883,396	\$ (18,855,000)	\$147,149,907	\$ 14,426,222	\$132,723,685
Unamortized original issue discount	(354,075)	71,111	-	(282,964)	-	(282,964)
Unamortized original issue premium	13,887,149	-	(1,544,807)	12,342,342	1,544,807	10,797,535
Total	\$177,654,585	\$ 1,954,507	\$ (20,399,807)	\$159,209,285	\$ 15,971,029	\$143,238,256

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 16 – Successor Agency Trust for Assets and Liabilities of Former Redevelopment Agency (Continued)

2011 Tax Allocation Revenue Bonds Series A and B

On March 4, 2011, the Agency issued \$13,827,887 of Series A Tax Allocation Capital Appreciation Bonds. The proceeds were used to: 1) pay costs of issuance 2) provide a reserve, and 3) finance certain redevelopment activity within the project area.

These bonds are secured and payable from tax increment revenue of the Agency.

In November 2017, the Agency issued a total of \$98,435,000 in bonds consisting of \$74,785,000 in 2017 Series A Tax-Exempt Bonds and \$23,650,000 in 2017 Series B Taxable Bonds. A portion of the 2017 Series A Bonds were used to defease and redeem all of the outstanding \$6,739,593 original principal amount Culver City Redevelopment Agency Tax Allocation Capital Appreciation Bonds, 2011 Series A maturing on and after November 1, 2025, with an aggregate accreted outstanding value of \$11,644,155 as of December 4, 2017.

The 2017 Bonds are subordinate to the debt service on the \$7,088,294 original principal amount Culver City Redevelopment Agency Tax Allocation Capital Appreciation Bonds, 2011 Series A maturing on November 1 commencing on November 1, 2019 through and including November 1, 2024, with an aggregate accreted value of \$11,275,586 as of November 1, 2017. Concurrent with the issuance of the 2017 Bonds, the Successor Agency irrevocably directed the trustee to transfer approximately \$9.3 million on deposit with the trustee to the Principal Account in order to pay scheduled future debt service on the 2011A Bonds as shown below:

Payment Date (November 1)	Final Accreted Value	Payment from Principal Account	Net Payable from Tax Revenues
2020	\$ 2,575,000	\$ 2,575,000	\$ -
2021	2,575,000	2,575,000	-
2022	2,665,000	1,951,268	713,732
2023	2,735,000	-	2,735,000
2024	2,270,000	-	2,270,000
Total	\$ 12,820,000	\$ 7,101,268	\$ 5,718,732

¹ The payment of debt service on the Non-Callable 2011A Bonds on November 1, 2024 will be made first from amounts on deposit in the reserve account under the Senior Indenture, to the extent available. Immediately after the refunding of the Callable 2011A Bonds, the balance in such reserve account will be approximately \$1.4 million. No amounts on deposit in the reserve account under the Senior Indenture will be released in connection with the refunding of the Callable 2011A Bonds.

Per the terms of the bond indenture, a reserve of \$1,382,995 is required to be maintained. At June 30, 2019, the reserve with fiscal agent was in the amount of \$1,383,230 and this amount will be applied to the November 1, 2024 debt service payment. The total amount of the 2011 TAB Series A outstanding as of June 30, 2019 was \$13,827,887. The accreted interest amount on the Capital Appreciation Bonds at June 30, 2019 was \$12,071,199.

On March 4, 2011, the Agency issued \$33,585,000 of 2011 Series B Tax Allocation Bonds. The proceeds of the debt were used to: 1) fund a reserve, 2) pay for costs of issuance, and 3) finance certain projects within the project area. The bonds are secured by a pledge of tax increment revenue derived from the Agency.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 16 – Successor Agency Trust for Assets and Liabilities of Former Redevelopment Agency (Continued)

2011 Tax Allocation Revenue Bonds Series A and B (Continued)

In November 2017, the Agency issued a total of \$98,435,000 in bonds consisting of \$74,785,000 in 2017 Series A Tax-Exempt Bonds and \$23,650,000 in 2017 Series B Taxable Bonds. Part of the outstanding 2011 Series B Bonds were defeased and redeemed by the 2017 Bonds.

The annual debt service requirements on these bonds are as follows:

Fiscal Year	2011 Series A Tax Allocation Revenue Bond		
	Principal	Interest	Total
2020	\$ 1,476,222	\$ 1,162,600	\$ 2,638,822
2021	1,348,579	1,288,029	2,636,608
2022	1,225,365	1,430,998	2,656,363
2023	1,152,639	1,585,870	2,738,509
2024	1,075,621	1,559,755	2,635,376
2025-2029	7,549,461	19,670,472	27,219,933
Total	\$ 13,827,887	\$ 26,697,724	\$ 40,525,611

Fiscal Year	2011 Series B Tax Allocation Revenue Bond		
	Principal	Interest	Total
2020	\$ 2,000,000	\$ 1,138,500	\$ 3,138,500
2021	2,160,000	972,099	3,132,099
2022	2,330,000	786,675	3,116,675
2023	2,495,000	581,612	3,076,612
2024	2,705,000	360,613	3,065,613
2025	2,890,000	122,826	3,012,826
Total	\$ 14,580,000	\$ 3,962,325	\$ 18,542,325

2017 Tax Allocation Refunding Bonds Series A and B

On December 4, 2017, the Agency issued a total of \$98,435,000 in bonds consisting of \$74,785,000 in 2017 Series A Tax-Exempt Bonds and \$23,650,000 in 2017 Series B Taxable Bonds. The Bonds were issued to refund all of the outstanding 1999A, 2002A, 2004A, and 2005A bonds maturing on and after November 1, 2015 and part of 2011A bond beginning on or after November 1, 2021 and part of 2011B bond beginning on and after November 1, 2020. The transaction achieves 33 million in debt service cash flow savings, or 18 million in net present value savings.

2017 Series A Tax Allocation Bonds mature beginning November 1, 2020 with final payment of principal due on November 1, 2018. Interest rate is 4% in 2020 and 5% from 2021 to 2028.

2017 Series B Tax Allocation Bonds mature beginning November 1, 2018 with final payment of principal due on November 1, 2020. Interest rate is 1.5% in 2018, 1.625% in 2019, and 2% in 2020.

Both 2017 Series A and Series B Tax Allocation Bonds are secured by and payable from tax revenues and were issued in denominations of \$5,000 and are not subject to optional redemption prior to their maturity dates.

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 16 – Successor Agency Trust for Assets and Liabilities of Former Redevelopment Agency (Continued)

2017 Tax Allocation Refunding Bonds Series A and B (Continued)

The annual debt service requirements on these bonds are as follows:

Fiscal Year	2017 A Tax Allocation Bonds		
	Principal	Interest	Total
2020	\$ -	\$ 3,643,650	\$ 3,643,650
2021	9,560,000	3,452,450	13,012,450
2022	11,530,000	2,973,000	14,503,000
2023	11,165,000	2,405,625	13,570,625
2024	9,770,000	1,882,250	11,652,250
2025-2029	32,760,000	3,598,500	36,358,500
Total	\$ 74,785,000	\$ 17,955,475	\$ 92,740,475

Fiscal Year	2017 B Tax Allocation Bonds		
	Principal	Interest	Total
2020	\$ 10,950,000	\$ 120,169	\$ 11,070,169
2021	1,560,000	15,600	1,575,600
Total	\$ 12,510,000	\$ 135,769	\$ 12,645,769

Pledged Revenues for Tax Allocation Bonds

The Trust has a number of Tax Allocation bonds outstanding that are collateralized by the pledging of property tax increment revenues. The amount and term of the remainder of these commitments are indicated in the debt service to maturity tables presented. The purposes for which the proceeds of the related debt issuances were utilized are disclosed in the debt descriptions in the accompanying notes.

Advances from Culver City Housing Authority

The advance of \$329,616 for ERAF, \$8,746,277 for SERAF, and \$10,299,928 for LMIHF Deferral can only be repaid pursuant to the maximum repayment amount defined in Health and Safety Code Section 34176(6)(B). Because of this, the number of years it will take to repay this advance is unknown.

Note 17 – Prior Period Adjustments

A. Government-Wide Financial Statements

The net position as of July 1, 2018 for Governmental Activities and Business-Type Activities were restated as follows:

	Total Governmental Activities	Total Business-Type Activities
Beginning net position, as previously reported	\$ 71,297,852	\$ 58,148,907
Cash and investments	10,000,000	-
Unearned revenue	-	(950,000)
Beginning net position, as restated	\$ 81,297,852	\$ 57,198,907

City of Culver City
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2019

Note 17 – Prior Period Adjustments (Continued)

B. Fund Financial Statements

Fund balances as of July 1, 2018 were restated as follows:

	General Fund	Municipal Bus Lines
Beginning fund balance, as previously reported	\$ 80,762,036	\$ 24,079,954
Cash and investments	10,000,000	-
Unearned revenue	-	(950,000)
Beginning fund balance, as restated	\$ 90,762,036	\$ 23,129,954

Fund balance at July 1, 2018 for General Fund was restated to correct the cash and investments for \$10 million that was set aside for Section 115 Trust but was mistakenly expensed. Fund balance at July 1, 2018 for Municipal Bus Lines was restated to correct an error in intergovernmental revenue in the amount of \$950,000.

Note 18 – Subsequent Events

In October 2019, the City issued \$19,360,000 Wastewater Facilities Revenue Bonds, 2019 Series A, to provide funds to (i) redeem all of the outstanding City of Culver City Wastewater Facilities Refunding Revenue Bonds, 2009 Series A; (ii) to finance certain capital improvements to the Sewer System of the City, and (iii) to pay costs of issuance of the 2019 Bonds. The bonds bear interest at rates of 3.00% to 4.00% annum payable semi-annually on March 1 and September 1. The final principal payment is due on September 1, 2039.

This page intentionally left blank.

**REQUIRED SUPPLEMENTARY
INFORMATION (UNAUDITED)**

City of Culver City
Required Supplementary Information (Unaudited)
Schedule of Changes in Net Pension Liabilities and Related Ratios
For the Year Ended June 30, 2019

Last Ten Fiscal Years

California Public Employees' Retirement System ("CalPERS") - Miscellaneous Plan

Measurement period	2017-18	2016-17	2015-16	2014-15	2013-14 ¹
Total pension liability					
Service cost	\$ 5,840,702	\$ 5,654,517	\$ 5,035,714	\$ 4,911,950	\$ 4,942,736
Interest	20,506,704	19,754,857	19,172,836	18,310,677	17,556,597
Changes of benefit terms	143,405	-	-	-	-
Differences between expected and actual experience	164,388	(3,129,611)	(294,797)	(1,386,409)	-
Changes of assumptions	(2,546,031)	16,345,262	-	(4,429,450)	-
Benefit payments, including refunds of employee contributions	(13,158,591)	(12,339,176)	(11,795,228)	(11,644,085)	(11,157,496)
Net change in total pension liability	10,950,577	26,285,849	12,118,525	5,762,683	11,341,837
Total pension liability - beginning	292,704,235	266,418,386	254,299,861	248,537,178	237,195,341
Total pension liability - ending (a)	\$ 303,654,812	\$ 292,704,235	\$ 266,418,386	\$ 254,299,861	\$ 248,537,178
Pension fiduciary net position					
Contributions - employer	\$ 7,730,160	\$ 7,347,239	\$ 6,864,716	\$ 5,915,829	\$ 6,638,283
Contributions - employee	2,694,597	2,680,792	2,591,939	2,494,358	3,171,457
Net investment income ²	16,834,787	20,132,561	922,415	4,025,216	27,091,117
Benefit payments, including refunds of employee contributions	(13,158,591)	(12,339,176)	(11,795,228)	(11,644,085)	(11,157,496)
Net plan to plan resource movement	(495)	(25,198)	(69)	-	-
Administrative expense	(311,946)	(269,686)	(112,253)	(207,377)	-
Other miscellaneous expense ³	(592,391)	-	-	-	-
Net change in plan fiduciary net position	13,196,121	17,526,532	(1,528,480)	583,941	25,743,361
Plan fiduciary net position - beginning	200,186,834	182,660,302	184,188,782	183,604,841	157,861,480
Plan fiduciary net position - ending (b)	\$ 213,382,955	\$ 200,186,834	\$ 182,660,302	\$ 184,188,782	\$ 183,604,841
Plan net pension liability - ending (a) - (b)	\$ 90,271,857	\$ 92,517,401	\$ 83,758,084	\$ 70,111,079	\$ 64,932,337
Plan fiduciary net position as a percentage of the total pension liability	70.27%	68.39%	68.56%	72.43%	73.87%
Covered payroll	\$ 34,541,974	\$ 33,069,286	\$ 32,319,580	\$ 31,064,702	\$ 29,867,279
Plan net pension liability as a percentage of covered payroll	261.34%	279.77%	259.16%	225.69%	217.40%

¹ Historical information is presented for measurement periods for which GASB 68 is applicable.

² Net of administrative expenses for 2013-14.

³ During Fiscal Year 2017-18, as a result of Governmental Accounting Standards Board Statement (GASB) No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions, CalPERS reported its proportionate share of activity related to postemployment benefits for participation in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75. Additionally, CalPERS employees participate in various State of California agent pension plans and during Fiscal Year 2017-18, CalPERS recorded a correction to previously reported financial statements to properly reflect its proportionate share of activity related to pensions in accordance with GASB Statement No. 68, Accounting and Financial Reporting for Pensions (GASB 68).

Notes to Schedule:

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2017 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes of Assumptions: In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate. In 2017, the discount rate reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.50 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense.) In 2014, amounts reported were based on 7.50 percent discount rate.

City of Culver City
Required Supplementary Information (Unaudited)
Schedule of Changes in Net Pension Liabilities and Related Ratios (Continued)
For the Year Ended June 30, 2019

Last Ten Fiscal Years

California Public Employees' Retirement System ("CalPERS") - Safety Plan

Measurement period	2017-18	2016-17	2015-16	2014-15	2013-14 ¹
Total pension liability					
Service cost	\$ 6,298,282	\$ 6,129,038	\$ 5,119,113	\$ 4,743,829	\$ 5,059,461
Interest	26,642,025	25,705,374	24,915,561	23,705,339	23,063,095
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	1,418,628	(16,644)	4,495,216	(3,360,555)	-
Changes of assumptions	(1,351,192)	21,337,731	-	(5,729,967)	-
Benefit payments, including refunds of employee contributions	(19,370,885)	(18,402,022)	(17,675,231)	(16,949,000)	(16,067,896)
Net change in total pension liability	13,636,858	34,753,477	16,854,659	2,409,646	12,054,660
Total pension liability - beginning	379,084,592	344,331,115	327,476,456	325,066,810	313,012,150
Total pension liability - ending (a)	\$ 392,721,450	\$ 379,084,592	\$ 344,331,115	\$ 327,476,456	\$ 325,066,810
Pension fiduciary net position					
Contributions - employer	\$ 10,375,287	\$ 10,184,688	\$ 8,873,934	\$ 7,389,950	\$ 8,194,801
Contributions - employee	2,163,272	2,060,064	2,392,965	1,948,457	2,880,898
Net investment income ²	19,871,943	24,081,093	1,115,225	4,990,457	34,116,579
Benefit payments, including refunds of employee contributions	(19,370,885)	(18,402,022)	(17,675,231)	(16,949,000)	(16,067,896)
Net plan to plan resource movement	(581)	25,198	69	-	-
Administrative expense	(369,710)	(324,271)	(137,163)	(253,316)	-
Other miscellaneous expense ³	(702,086)	-	-	-	-
Net change in plan fiduciary net position	11,967,240	17,624,750	(5,430,201)	(2,873,452)	29,124,382
Plan fiduciary net position - beginning	237,256,079	219,631,329	225,061,530	227,934,982	198,810,600
Plan fiduciary net position - ending (b)	\$ 249,223,319	\$ 237,256,079	\$ 219,631,329	\$ 225,061,530	\$ 227,934,982
Plan net pension liability - ending (a) - (b)	\$ 143,498,131	\$ 141,828,513	\$ 124,699,786	\$ 102,414,926	\$ 97,131,828
Plan fiduciary net position as a percentage of the total pension liability	63.46%	62.59%	63.78%	68.73%	70.12%
Covered payroll	\$ 21,848,552	\$ 21,045,353	\$ 19,489,503	\$ 18,014,087	\$ 18,261,249
Plan net pension liability as a percentage of covered payroll	656.79%	673.92%	639.83%	568.53%	531.90%

¹ Historical information is presented for measurement periods for which GASB 68 is applicable.

² Net of administrative expenses for 2013-14.

³ During Fiscal Year 2017-18, as a result of Governmental Accounting Standards Board Statement (GASB) No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions, CalPERS reported its proportionate share of activity related to postemployment benefits for participation in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75. Additionally, CalPERS employees participate in various State of California agent pension plans and during Fiscal Year 2017-18, CalPERS recorded a correction to previously reported financial statements to properly reflect its proportionate share of activity related to pensions in accordance with GASB Statement No. 68, Accounting and Financial Reporting for Pensions (GASB 68).

Notes to Schedule:

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2017 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes of Assumptions: In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate. In 2017, the discount rate reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.50 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense.) In 2014, amounts reported were based on 7.50 percent discount rate.

City of Culver City
Required Supplementary Information (Unaudited)
Schedule of Contributions - Pension
For the Year Ended June 30, 2019

Last Ten Fiscal Years

California Public Employees' Retirement System ("CalPERS") - Miscellaneous Plan

	2013-14 ¹	2014-15	2015-16	2016-17	2017-18
Actuarially determined contribution	\$ 6,638,283	\$ 5,915,829	\$ 6,665,996	\$ 7,198,199	\$ 7,730,160
Contributions in relation to the actuarially determined contribution	(6,638,283)	(5,915,829)	(6,864,716)	(7,347,239)	(7,730,160)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (198,720)</u>	<u>\$ (149,040)</u>	<u>\$ -</u>
Covered payroll ^{2,3}	\$29,867,279	\$ 31,064,702	\$32,319,580	\$33,069,286	\$34,541,974
Contributions as a percentage of covered payroll ²	22.23%	19.04%	21.24%	22.22%	22.38%

¹ Historical information is required only for measurement periods for which GASB 68 is applicable.

² Covered Payroll represented above is based on pensionable earnings provided by the employer.

³ Payroll from 2018-19 of \$35,578,233 was assumed to increase by the 3.00 percent payroll growth assumption.

Notes to Schedule:

Valuation date:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2017-18 were from the June 30, 2015 funding valuation report.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal Cost Method
Amortization method	Level percentage of payroll
Asset valuation method	Market value
Inflation	2.75%
Salary increases	Varies by entry age and service
Payroll Growth	3.00%
Investment rate of return	7.50% net of pension plan investment and administrative expenses, including inflation.
Retirement age	The probabilities of retirement are based on the 2014 CalPERS Experience study for the period from 1997 to 2011.
Mortality	The probabilities of mortality are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011. Pre-retirement and Post-retirement mortality rates include 20 years of projected mortality improvement using Scale BB published by the Society of Actuaries.

City of Culver City
Required Supplementary Information (Unaudited)
Schedule of Contributions - Pension (Continued)
For the Year Ended June 30, 2019

Last Ten Fiscal Years

California Public Employees' Retirement System ("CalPERS") - Miscellaneous Plan

	2018-19
Actuarially determined contribution	\$ 8,770,894
Contributions in relation to the actuarially determined contribution	(8,770,894)
Contribution deficiency (excess)	\$ -
Covered payroll ^{2,3}	\$ 35,578,233
Contributions as a percentage of covered payroll ²	24.65%

City of Culver City
Required Supplementary Information (Unaudited)
Schedule of Contributions - Pension (Continued)
For the Year Ended June 30, 2019

Last Ten Fiscal Years

California Public Employees' Retirement System ("CalPERS") - Safety Plan

	2013-14 ¹	2014-15	2015-16	2016-17	2017-18
Actuarially determined contribution	\$ 8,194,801	\$ 7,389,950	\$ 8,873,934	\$10,184,688	\$10,375,287
Contributions in relation to the actuarially determined contribution	(8,194,801)	(7,389,950)	(8,873,934)	(10,184,688)	(10,375,287)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll ^{2,3}	\$18,261,249	\$18,014,087	\$19,489,503	\$21,045,353	\$21,848,552
Contributions as a percentage of covered payroll ²	44.88%	41.02%	45.53%	48.39%	47.49%

¹ Historical information is presented for measurement periods for which GASB 68 is applicable.

² Covered payroll represented above is based on pensionable earnings provided by the employer.

³ Payroll from 2018-19 of \$22,504,009 was assumed to increase by the 3.00 percent payroll growth assumption.

Notes to Schedule:

Valuation date:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2017-18 were from the June 30, 2015 funding valuation report.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal Cost Method
Amortization method	Level percentage of payroll
Asset valuation method	Market value
Inflation	2.75%
Salary increases	Varies by entry age and service
Payroll Growth	3.00%
Investment rate of return	7.50% net of pension plan investment and administrative expenses, including inflation.
Retirement age	The probabilities of retirement are based on the 2014 CalPERS Experience study for the period from 1997 to 2011.
Mortality	The probabilities of mortality are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011. Pre-retirement and Post-retirement mortality rates include 20 years of projected mortality improvement using Scale BB published by the Society of Actuaries.

City of Culver City
Required Supplementary Information (Unaudited)
Schedule of Contributions - Pension (Continued)
For the Year Ended June 30, 2019

Last Ten Fiscal Years

California Public Employees' Retirement System ("CalPERS") - Safety Plan

	2018-19
Actuarially determined contribution	\$ 11,760,090
Contributions in relation to the actuarially determined contribution	(11,760,090)
Contribution deficiency (excess)	\$ -
Covered payroll ^{2,3}	\$ 22,504,009
Contributions as a percentage of covered payroll ²	52.26%

City of Culver City
Required Supplementary Information (Unaudited)
Schedule of Changes in Net OPEB Liability and Related Ratios
For the Year Ended June 30, 2019

Last Ten Fiscal Years

Other Postemployment Benefits ("OPEB")

Measurement period	2014-15 ¹	2015-16	2016-17	2017-18
Total OPEB liability				
Service cost	\$ 3,094,000	\$ 2,722,000	\$ 2,528,000	\$ 2,244,000
Interest	7,905,000	8,258,000	8,560,000	8,884,000
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	-	(11,811,000)	(436,000)	(12,111,000)
Changes of assumptions	-	(795,000)	-	7,174,000
Benefit payments, including refunds of employee contributions	(5,387,000)	(5,759,000)	(5,673,000)	(5,795,000)
Net change in total OPEB liability	5,612,000	(7,385,000)	4,979,000	396,000
Total OPEB liability - beginning	124,309,000	129,921,000	122,536,000	127,515,000
Total OPEB liability - ending (a)	<u>\$ 129,921,000</u>	<u>\$ 122,536,000</u>	<u>\$ 127,515,000</u>	<u>\$ 127,911,000</u>
OPEB fiduciary net position				
Contributions - employer	\$ 9,865,000	\$ 11,263,000	\$ 11,037,000	\$ 10,940,000
Net investment income	289,000	319,000	3,037,000	3,191,000
Benefit payments, including refunds of employee contributions	(5,387,000)	(5,759,000)	(5,673,000)	(5,795,000)
Administrative expense	(56,000)	(81,000)	(15,000)	(17,000)
Net change in plan fiduciary net position	4,711,000	5,742,000	8,386,000	8,319,000
Plan fiduciary net position - beginning	12,785,000	17,496,000	23,238,000	31,624,000
Plan fiduciary net position - ending (b)	<u>\$ 17,496,000</u>	<u>\$ 23,238,000</u>	<u>\$ 31,624,000</u>	<u>\$ 39,943,000</u>
Plan net OPEB liability - ending (a) - (b)	<u>\$ 112,425,000</u>	<u>\$ 99,298,000</u>	<u>\$ 95,891,000</u>	<u>\$ 87,968,000</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>13.47%</u>	<u>18.96%</u>	<u>24.80%</u>	<u>31.23%</u>
Covered payroll	<u>\$ 47,105,000</u>	<u>\$ 52,215,000</u>	<u>\$ 56,415,000</u>	<u>\$ 57,411,000</u>
Plan net OPEB liability as a percentage of covered payroll	<u>238.67%</u>	<u>190.17%</u>	<u>169.97%</u>	<u>153.22%</u>

¹ Historical information is presented for measurement periods for which GASB 75 is applicable.

Notes to Schedule:

Changes of Assumption: In 2018, the accounting discount rate reduced from 7.00 percent to 6.50 percent.

City of Culver City
Required Supplementary Information (Unaudited)
Schedule of Changes in Net OPEB Liability and Related Ratios (Continued)
For the Year Ended June 30, 2019

Last Ten Fiscal Years

Other Postemployment Benefits ("OPEB")

	2018-19
Measurement period	
Total OPEB liability	
Service cost	\$ 2,525,145
Interest	8,285,252
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes of assumptions	-
Benefit payments, including refunds of employee contributions	(5,941,435)
Net change in total OPEB liability	4,868,962
Total OPEB liability - beginning	127,911,000
Total OPEB liability - ending (a)	\$ 132,779,962
OPEB fiduciary net position	
Contributions - employer	\$ 11,176,363
Net investment income	2,661,837
Benefit payments, including refunds of employee contributions	(5,941,435)
Administrative expense	(12,236)
Net change in plan fiduciary net position	7,884,529
Plan fiduciary net position - beginning	39,943,000
Plan fiduciary net position - ending (b)	\$ 47,827,529
Plan net OPEB liability - ending (a) - (b)	\$ 84,952,433
Plan fiduciary net position as a percentage of the total OPEB liability	36.02%
Covered payroll	\$ 58,966,981
Plan net OPEB liability as a percentage of covered payroll	144.07%

Notes to Schedule:

Changes of Assumption: In 2018, the accounting discount rate reduced from 7.00 percent to 6.50 percent.

City of Culver City
Required Supplementary Information (Unaudited)
Schedule of Contributions - OPEB
For the Year Ended June 30, 2019

Last Ten Fiscal Years

Other Postemployment Benefits ("OPEB")

	2011-12 ¹	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Actuarially determined contribution ²	\$ 8,456,000	\$ 8,621,000	\$ 9,778,000	\$ 9,945,000	\$ 9,241,000	\$ 9,422,000	\$ 8,885,000
Contributions in relation to the actuarially determined contribution	(7,635,000)	(7,631,000)	(10,028,000)	(9,865,000)	(11,263,000)	(11,037,000)	(10,940,000)
Contribution deficiency (excess)	\$ 821,000	\$ 990,000	\$ (250,000)	\$ 80,000	\$ (2,022,000)	\$ (1,615,000)	\$ (2,055,000)
Covered payroll	N/A	\$ 46,399,000	N/A	\$ 47,105,000	\$ 52,215,000	\$ 56,415,000	\$ 57,411,000
Contributions as a percentage of covered payroll ²	N/A	16.45%	N/A	20.94%	21.57%	19.56%	19.06%

¹ GASB 75 requires this information for plans funding with OPEB trusts be reported in the employer's Required Supplementary Information for 10 years or as many years as are available upon implementation. The plan was not funded with an OPEB trust prior to 6/30/12.

² The June 30, 2015 actuarial valuation provided the Actuarially Determined Contributions for fiscal years ended 6/30/16 and 6/30/17 and the June 30, 2017 actuarial valuation provided the Actuarially Determined Contributions for fiscal year ended 6/30/18 and 6/30/19.

Notes to Schedule:

Valuation date:

June 30, 2017 Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contribution are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal Cost Method
Amortization method	Level percentage of payroll
Remaining amortization period	21-year fixed period for the 2018/19 ADC
Asset valuation method	Investment gains and losses spread over a 5-year rolling period.
Inflation	2.75%
Medical Trend	Non-Medicare: 7.50% for 2019, decreasing to an ultimate rate of 4.00% in 2076; Medicare: 6.50% for 2019, decreasing to an ultimate rate of 4.00% in 2076.
Salary increases	3.00%
Investment rate of return	6.50%
Retirement age	Based on CalPERS 1997-2015 Experience Study.
Mortality	Mortality rates were based on CalPERS 1997-2011 Healthy Annuitant Mortality Table for Male or Females, as appropriate, with adjustments for mortality improvements based on MP-2017 to converge to ultimate mortality improvement rates in 2022.

City of Culver City
Required Supplementary Information (Unaudited)
Schedule of Contributions - OPEB (Continued)
For the Year Ended June 30, 2019

Last Ten Fiscal Years

Other Postemployment Benefits ("OPEB")

	2018-19
Actuarially determined contribution ²	\$ 9,049,000
Contributions in relation to the actuarially determined contribution	(11,176,363)
Contribution deficiency (excess)	\$ (2,127,363)
Covered payroll	\$ 58,966,981
Contributions as a percentage of covered payroll ²	18.95%

City of Culver City
Required Supplementary Information (Unaudited)
Budgetary Comparison Schedule
For the Year Ended June 30, 2019

General Fund

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Taxes	\$ 80,322,872	\$ 81,391,868	\$ 85,689,848	\$ 4,297,980
Licenses and permits	5,536,600	6,237,012	7,042,213	805,201
Fines and forfeitures	5,644,500	5,675,441	5,468,942	(206,499)
Intergovernmental	5,347,437	5,360,712	5,440,406	79,694
Charges for services	11,770,798	12,869,919	11,818,571	(1,051,348)
Investment earnings	813,000	898,000	3,218,803	2,320,803
Miscellaneous	276,200	788,275	1,025,764	237,489
Total revenues	109,711,407	113,221,227	119,704,547	6,483,320
EXPENDITURES:				
Current:				
General government	15,128,074	15,359,837	16,573,263	(1,213,426)
Parks, recreation, and community services	9,610,011	10,063,147	9,364,497	698,650
Police	42,544,374	43,437,216	41,951,512	1,485,704
Fire	24,437,959	24,979,736	25,075,958	(96,222)
Community development	11,758,481	14,405,596	8,587,471	5,818,125
Public works	13,224,853	14,169,603	12,848,402	1,321,201
Total expenditures	116,703,752	122,415,135	114,401,103	8,014,032
REVENUE OVER (UNDER) EXPENDITURES	(6,992,345)	(9,193,908)	5,303,444	14,497,352
OTHER FINANCING SOURCES (USES):				
Transfers in	2,733,984	2,733,984	2,733,983	(1)
Transfers out	(2,830,000)	(3,253,500)	(3,231,785)	21,715
Total other financing sources (uses)	(96,016)	(519,516)	(497,802)	21,714
CHANGE IN FUND BALANCE	(7,088,361)	(9,713,424)	4,805,642	14,519,066
FUND BALANCE:				
Beginning of year, as restated (Note 17)	90,762,036	90,762,036	90,762,036	-
End of year	\$ 83,673,675	\$ 81,048,612	\$ 95,567,678	\$ 14,519,066

City of Culver City
Required Supplementary Information (Unaudited)
Budgetary Comparison Schedule (Continued)
For the Year Ended June 30, 2019

Culver City Housing Authority Special Revenue Fund

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Investment earnings	\$ -	\$ -	\$ 418,952	\$ 418,952
Miscellaneous	-	122,000	5,000	(117,000)
Total revenues	-	122,000	423,952	301,952
EXPENDITURES:				
Current:				
Community development	-	4,760,042	660,364	4,099,678
Total expenditures	-	4,760,042	660,364	4,099,678
REVENUE OVER (UNDER) EXPENDITURES	-	(4,638,042)	(236,412)	4,401,630
OTHER FINANCING SOURCES (USES):				
Transfers in	-	3,480,000	-	(3,480,000)
Transfers out	-	(833,984)	(833,984)	-
Total other financing sources (uses)	-	2,646,016	(833,984)	(3,480,000)
CHANGE IN FUND BALANCE	-	(1,992,026)	(1,070,396)	921,630
FUND BALANCE:				
Beginning of year	43,710,852	43,710,852	43,710,852	-
End of year	\$ 43,710,852	\$ 41,718,826	\$ 42,640,456	\$ 921,630

This page intentionally left blank.

City of Culver City
Notes to the Required Supplementary Information (Unaudited)
Budgetary Comparison Schedule
For the Year Ended June 30, 2019

Note 1 - Budgets and Budgetary Data

The adopted budget of the City consists of a resolution specifying the total appropriation for each departmental activity, such as Police Administration, Street Maintenance, and other activities.

Total appropriations for each fund may only be increased or decreased by the City Council by passage of a resolution amending the budget, with the exception of budget adjustments which involve offsetting revenues and expenditures. In cases involving offsetting revenues and expenditures, the Chief Financial Officer is authorized to increase or decrease an appropriation for a specific purpose where said appropriation is offset by unbudgeted revenue which is designated for said specific purpose.

The City Manager has the authority to adjust the amounts appropriated between the departments and activities of a fund, objects within each departmental activity and between accounts within the objects, provided; however, hat the total appropriations for each fund do not exceed the amounts provided in the budget resolution.

The level at which expenditures may not legally exceed appropriations is the fund level.

All appropriations lapse at the fiscal year-end unless City Council takes formal action in the form of a resolution to continue the appropriation into the following year.

Budgets for the various funds are adopted on a basis consistent with generally accepted accounting principles in the United States. Annual appropriated budgets are legally adopted for the general, special revenue, debt service, capital projects, and proprietary fund types.

This page intentionally left blank.

SUPPLEMENTARY INFORMATION

This page intentionally left blank.

**City of Culver City
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2019**

	Special Revenue Funds	Capital Projects Funds	Totals
ASSETS			
Cash and investments	\$ 33,902,972	\$ 3,828,489	\$ 37,731,461
Accounts receivables, net	289,656	-	289,656
Interest receivables	149,032	798,202	947,234
Notes receivables, net	38,820	3,395,000	3,433,820
Due from other governments	832,220	1,610,083	2,442,303
Total assets	\$ 35,212,700	\$ 9,631,774	\$ 44,844,474
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 1,113,551	\$ 186,136	\$ 1,299,687
Salaries and benefits payable	15,366	-	15,366
Due to other funds	318,160	1,558,609	1,876,769
Deposits payable	72,976	113,245	186,221
Due to other governments	41,845	-	41,845
Total liabilities	1,561,898	1,857,990	3,419,888
Deferred inflows of resources:			
Unavailable grant revenues	644,209	1,330,582	1,974,791
Total deferred inflows of resources	644,209	1,330,582	1,974,791
Fund Balances:			
Restricted	13,139,475	7,890,446	21,029,921
Committed	20,467,461	-	20,467,461
Unassigned (deficit)	(600,343)	(1,447,244)	(2,047,587)
Total fund balances	33,006,593	6,443,202	39,449,795
Total liabilities, deferred inflows of resources and fund balances	\$ 35,212,700	\$ 9,631,774	\$ 44,844,474

City of Culver City
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2019

	Special Revenue Funds	Capital Projects Funds	Totals
REVENUES:			
Licenses and permits	\$ 1,692,241	\$ -	\$ 1,692,241
Intergovernmental	6,829,018	1,399,646	8,228,664
Charges for services	7,547,437	-	7,547,437
Investment earnings	787,514	341,220	1,128,734
Miscellaneous	120,902	608,725	729,627
Total revenues	16,977,112	2,349,591	19,326,703
EXPENDITURES:			
Current:			
General government	431,847	-	431,847
Parks, recreation and community services	473,601	-	473,601
Police	356,958	-	356,958
Fire	45,633	-	45,633
Community development	3,618,461	-	3,618,461
Public works	339,470	-	339,470
Transportation	337,566	-	337,566
Capital outlay	3,399,531	8,361,449	11,760,980
Total expenditures	9,003,067	8,361,449	17,364,516
REVENUES OVER EXPENDITURES	7,974,045	(6,011,858)	1,962,187
OTHER FINANCING SOURCES (USES):			
Transfers in	308,102	-	308,102
Transfers out	(3,239,158)	-	(3,239,158)
Total other financing sources (uses)	(2,931,056)	-	(2,931,056)
CHANGES IN FUND BALANCES	5,042,989	(6,011,858)	(968,869)
FUND BALANCES:			
Beginning of year	27,963,604	12,455,060	40,418,664
End of year	\$ 33,006,593	\$ 6,443,202	\$ 39,449,795

NONMAJOR SPECIAL REVENUE FUNDS

Gas Tax Fund - To account for state gasoline taxes received by the City. These funds may be used for street maintenance, right-of-way acquisition and street construction.

Proposition A Local Return Fund - To account for Proposition A funds received from the state. Proposition A funds are voter approved local sales taxes for transportation-related activities. Proposition A, approved by voters in 1980, is a one half of one percent (0.5%) tax on retail sales in Los Angeles County. The collection of this tax is administered by the County, which returns twenty five percent (25%) of the collections to cities within the County. The balance of Proposition A tax funds are used for rail development (35%) and discretionary purposes (40%). Almost the entire discretionary portion is used to fund bus service provided by Metro and 16 other municipal bus operators within the County, including Culver City Municipal Bus Lines.

Proposition C Local Return Fund - To account for Proposition C funds received from the state. Proposition C, approved by voters in 1990, is an additional one-half of one percent (1.5%) tax on retail sales in Los Angeles County. Proposition C funds are allocated to the construction and operation of the bus transit and rail system (40%), expansion of rail and bus security (5%), construction of commuter rail transit centers, park and ride lots, and freeway bus stops (10%), and other transit related improvements to freeways and state highways (25%). Each year, more than \$1 billion dollars is generated in local transportation revenue.

Measure R Fund - To account for Measure R funds. Measure R is a one-half cent sales tax approved by Los Angeles County voters in November 2008 and is used to fund new transportation projects and programs. The Transportation and Public Works departments utilize the majority of this funding.

Operating Grants Fund - To account for operating grant funds resulting from the City's federal, state and local operating grants, and the qualified expenditures of these restricted funds.

Section 8 Housing Fund - To account for assistance provided by the Federal government dedicated to sponsoring subsidized housing for low-income families and individuals. The Housing Division in the Community Development Department is responsible for managing and administering Culver City's Section 8 housing Choice Voucher Program (HCVP) to provide retail subsidies for qualified low-income households.

Art in Public Places Fund - To account for the "Art in Public Places" program. The revenues for this Fund come from developer in-lieu fees.

Community Development Fund - To account for funds received from new development impact fees collected on non-residential construction in excess of 5,000 square feet. These fees may only be used to fund street improvements, traffic controls, and traffic management projects.

CDBG Fund - To account for Community Development Block Grant (CDBG) funds, and the qualified expenditures of these restricted funds for administrative expenditures such as personnel costs.

Special Assessment Fund - To account for benefit assessment district funds received from homeowners for special landscaping services of certain properties within the City.

This page intentionally left blank.

NONMAJOR SPECIAL REVENUE FUNDS

Park Facilities Fund - To account for funds received from development impact fees assessed on subdivision/residential development. These fees may be used for the improvement and expansion of public parks and park facilities throughout the City.

Asset Seizure Fund - To account for funds received from federal and local seized and forfeited properties. Such funds may be used for the detection and prevention of criminal activity, and the apprehension of criminals through Drug Abuse Resistance Education (D.A.R.E.), and other law enforcement programs.

Parking Authority Fund - To account for the operations of the Culver City Parking Authority, which currently includes the Cardiff Parking Structure. These funds may be used for parking related operations and infrastructure improvements.

Safe/Clean Water Protection Fund - To account for all activities associated with watershed management program plan. (Previously referred to as 'storm water' and 'Urban Runoff Mitigation'.)

Building Surcharge Fund - To account for funds received from a four percent (4%) surcharge on certain development related permit fees. The surcharge is used by City to fund digital imaging and storage plans and documents and technology improvements and maintenance to enhance customer service.

Paratransit Fund - To account for the portion of sales tax to be used to transport seniors and people with disabilities.

Measure M Fund - To account for Measure M funds. Measure M is a one-half cent sales tax approved by Los Angeles County voters in November 2016 and is used to fund new transportation projects and programs. The Transportation and Public Works departments utilize the majority of this funding.

**City of Culver City
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2019**

	Gas Tax	Proposition A Local Return	Proposition C Local Return	Measure R	Operating Grants
ASSETS					
Cash and investments	\$ 1,250,768	\$ 983,811	\$ 1,054,731	\$ 140,704	\$ -
Accounts receivables, net	-	-	-	-	594
Interest receivables	6,973	4,923	5,174	1,013	-
Notes receivables, net	-	-	-	-	-
Due from other governments	130,455	-	-	-	602,260
Total assets	\$ 1,388,196	\$ 988,734	\$ 1,059,905	\$ 141,717	\$ 602,854
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 396,427	\$ -	\$ -	\$ -	\$ 302,300
Salaries and benefits payable	-	-	-	-	5,164
Due to other funds	-	-	-	-	256,868
Deposits payable	-	-	-	-	-
Due to other governments	-	-	-	-	-
Total liabilities	396,427	-	-	-	564,332
Deferred inflows of resources:					
Unavailable revenues	-	-	-	-	580,564
Total deferred inflows of resources	-	-	-	-	580,564
Fund Balances:					
Restricted	991,769	988,734	1,059,905	141,717	-
Committed	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	(542,042)
Total fund balances	991,769	988,734	1,059,905	141,717	(542,042)
Total liabilities, deferred inflows of resources and fund balances	\$ 1,388,196	\$ 988,734	\$ 1,059,905	\$ 141,717	\$ 602,854

(Continued)

City of Culver City
Combining Balance Sheet (Continued)
Nonmajor Special Revenue Funds
June 30, 2019

	Section 8 Housing	Art in Public Places	Community Development	CDBG	Special Assessment
ASSETS					
Cash and investments	\$ 1,388,961	\$ 2,949,802	\$ 730,442	\$ -	\$ 438,806
Accounts receivables, net	1,908	-	-	-	518
Interest receivables	-	13,545	3,607	-	2,043
Notes receivables, net	-	-	-	38,820	-
Due from other governments	2,248	-	-	3,623	1,314
Total assets	\$ 1,393,117	\$ 2,963,347	\$ 734,049	\$ 42,443	\$ 442,681
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 134,714	\$ 26,975	\$ -	\$ -	\$ 3,840
Salaries and benefits payable	2,782	1,667	-	-	-
Due to other funds	3,480	-	-	3,623	-
Deposits payable	17,200	-	-	-	14,756
Due to other governments	3,025	-	-	38,820	-
Total liabilities	161,201	28,642	-	42,443	18,596
Deferred inflows of resources:					
Unavailable revenues	-	-	-	-	518
Total deferred inflows of resources	-	-	-	-	518
Fund Balances:					
Restricted	1,231,916	2,934,705	734,049	-	423,567
Committed	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-
Total fund balances	1,231,916	2,934,705	734,049	-	423,567
Total liabilities, deferred inflows of resources and fund balances	\$ 1,393,117	\$ 2,963,347	\$ 734,049	\$ 42,443	\$ 442,681

(Continued)

City of Culver City
Combining Balance Sheet (Continued)
Nonmajor Special Revenue Funds
June 30, 2019

	Park Facilities	Asset Seizure	Parking Authority	Safe/Clean Water Protection	Building Surcharge
ASSETS					
Cash and investments	\$ 1,347,057	\$ 1,166,394	\$ 11,503,123	\$ 8,777,502	\$ 1,168,717
Accounts receivables, net	-	-	286,026	-	-
Interest receivables	6,023	5,188	51,157	39,664	5,388
Notes receivables, net	-	-	-	-	-
Due from other governments	-	-	-	29,268	-
Total assets	\$ 1,353,080	\$ 1,171,582	\$ 11,840,306	\$ 8,846,434	\$ 1,174,105
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ 41,272	\$ 99,887	\$ 78,372	\$ 27,386
Salaries and benefits payable	-	-	-	-	3,484
Due to other funds	-	-	-	-	-
Deposits payable	-	-	41,020	-	-
Due to other governments	-	-	-	-	-
Total liabilities	-	41,272	140,907	78,372	30,870
Deferred inflows of resources:					
Unavailable revenues	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
Fund Balances:					
Restricted	1,353,080	1,130,310	-	-	1,143,235
Committed	-	-	11,699,399	8,768,062	-
Unassigned (deficit)	-	-	-	-	-
Total fund balances	1,353,080	1,130,310	11,699,399	8,768,062	1,143,235
Total liabilities, deferred inflows of resources and fund balances	\$ 1,353,080	\$ 1,171,582	\$ 11,840,306	\$ 8,846,434	\$ 1,174,105

(Continued)

City of Culver City
Combining Balance Sheet (Continued)
Nonmajor Special Revenue Funds
June 30, 2019

	<u>Paratransit</u>	<u>Measure M</u>	<u>Total</u>
ASSETS			
Cash and investments	\$ -	\$ 1,002,154	\$ 33,902,972
Accounts receivables, net	610	-	289,656
Interest receivables	-	4,334	149,032
Notes receivables, net	-	-	38,820
Due from other governments	63,052	-	832,220
Total assets	<u>\$ 63,662</u>	<u>\$ 1,006,488</u>	<u>\$ 35,212,700</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 2,378	\$ -	\$ 1,113,551
Salaries and benefits payable	2,269	-	15,366
Due to other funds	54,189	-	318,160
Deposits payable	-	-	72,976
Due to other governments	-	-	41,845
Total liabilities	<u>58,836</u>	<u>-</u>	<u>1,561,898</u>
Deferred inflows of resources:			
Unavailable revenues	63,127	-	644,209
Total deferred inflows of resources	<u>63,127</u>	<u>-</u>	<u>644,209</u>
Fund Balances:			
Restricted	-	1,006,488	13,139,475
Committed	-	-	20,467,461
Unassigned (deficit)	(58,301)	-	(600,343)
Total fund balances	<u>(58,301)</u>	<u>1,006,488</u>	<u>33,006,593</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 63,662</u>	<u>\$ 1,006,488</u>	<u>\$ 35,212,700</u>

(Concluded)

City of Culver City
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2019

	Gas Tax	Proposition A Local Return	Proposition C Local Return	Measure R	Operating Grants
REVENUES:					
Licenses and permits	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,544,024	805,113	667,817	501,007	611,717
Charges for Services	-	-	-	-	-
Investment earnings	33,266	26,874	28,260	6,439	6,615
Miscellaneous	-	-	-	-	53,926
Total revenues	1,577,290	831,987	696,077	507,446	672,258
EXPENDITURES:					
Current:					
General government	-	-	-	-	-
Parks, recreation, and community services	-	-	-	-	448,107
Police	-	-	-	-	229,573
Fire	-	-	-	-	45,633
Community development	-	-	-	-	49,000
Public works	-	-	-	-	297,138
Transportation	-	-	-	-	33,641
Capital outlay	1,310,511	-	-	341,099	55,571
Total expenditures	1,310,511	-	-	341,099	1,158,663
REVENUES OVER (UNDER) EXPENDITURES	266,779	831,987	696,077	166,347	(486,405)
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	75,427
Transfers out	(400,000)	(784,926)	(610,074)	(244,158)	-
Total other financing sources (uses)	(400,000)	(784,926)	(610,074)	(244,158)	75,427
CHANGES IN FUND BALANCES	(133,221)	47,061	86,003	(77,811)	(410,978)
FUND BALANCES:					
Beginning of year	1,124,990	941,673	973,902	219,528	(131,064)
End of year	\$ 991,769	\$ 988,734	\$ 1,059,905	\$ 141,717	\$ (542,042)

(Continued)

City of Culver City
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2019

	Section 8 Housing	Art in Public Places	Community Development	CDBG	Special Assessment
REVENUES:					
Licenses and permits	\$ -	\$ 431,439	\$ 611,282	\$ -	\$ -
Intergovernmental	1,604,529	-	-	25,494	-
Charges for Services	-	-	-	-	93,308
Investment earnings	6,447	72,435	13,253	-	10,116
Miscellaneous	4,297	-	-	-	-
Total revenues	1,615,273	503,874	624,535	25,494	103,424
EXPENDITURES:					
Current:					
General government	-	284,395	-	-	-
Parks, recreation, and community services	-	-	-	25,494	-
Police	-	-	-	-	-
Fire	-	-	-	-	-
Community development	1,580,714	1,869	-	-	20,150
Public works	-	-	-	-	-
Transportation	-	-	-	-	-
Capital outlay	-	-	230,494	-	-
Total expenditures	1,580,714	286,264	230,494	25,494	20,150
REVENUES OVER (UNDER) EXPENDITURES	34,559	217,610	394,041	-	83,274
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
CHANGES IN FUND BALANCES	34,559	217,610	394,041	-	83,274
FUND BALANCES:					
Beginning of year	1,197,357	2,717,095	340,008	-	340,293
End of year	<u>\$ 1,231,916</u>	<u>\$ 2,934,705</u>	<u>\$ 734,049</u>	<u>\$ -</u>	<u>\$ 423,567</u>

(Continued)

City of Culver City
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2019

	Park Facilities	Asset Seizure	Parking Authority	Safe/Clean Water Protection	Building Surcharge
REVENUES:					
Licenses and permits	\$ -	\$ -	\$ 253,312	\$ -	\$ 396,208
Intergovernmental	-	434,621	-	-	-
Charges for Services	98,566	-	5,266,486	2,089,077	-
Investment earnings	34,598	27,221	271,636	204,557	28,326
Miscellaneous	-	4,524	58,155	-	-
Total revenues	133,164	466,366	5,849,589	2,293,634	424,534
EXPENDITURES:					
Current:					
General government	-	-	147,452	-	-
Parks, recreation, and community services	-	-	-	-	-
Police	-	127,385	-	-	-
Fire	-	-	-	-	-
Community development	-	-	1,651,026	13,076	302,626
Public works	-	-	-	-	42,332
Transportation	-	-	-	-	-
Capital outlay	178,460	116,070	203,910	949,180	14,236
Total expenditures	178,460	243,455	2,002,388	962,256	359,194
REVENUES OVER (UNDER)					
EXPENDITURES	(45,296)	222,911	3,847,201	1,331,378	65,340
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	-	-	(1,200,000)	-	-
Total other financing sources (uses)	-	-	(1,200,000)	-	-
CHANGES IN FUND BALANCES	(45,296)	222,911	2,647,201	1,331,378	65,340
FUND BALANCES:					
Beginning of year	1,398,376	907,399	9,052,198	7,436,684	1,077,895
End of year	\$ 1,353,080	\$ 1,130,310	\$ 11,699,399	\$ 8,768,062	\$ 1,143,235

(Continued)

City of Culver City
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2019

	Paratransit	Measure M	Total
REVENUES:			
Licenses and permits	\$ -	\$ -	\$ 1,692,241
Intergovernmental	70,012	564,684	6,829,018
Charges for Services	-	-	7,547,437
Investment earnings	-	17,471	787,514
Miscellaneous	-	-	120,902
Total revenues	70,012	582,155	16,977,112
EXPENDITURES:			
Current:			
General government	-	-	431,847
Parks, recreation, and community services	-	-	473,601
Police	-	-	356,958
Fire	-	-	45,633
Community development	-	-	3,618,461
Public works	-	-	339,470
Transportation	303,925	-	337,566
Capital outlay	-	-	3,399,531
Total expenditures	303,925	-	9,003,067
REVENUES OVER (UNDER)			
EXPENDITURES	(233,913)	582,155	7,974,045
OTHER FINANCING SOURCES (USES):			
Transfers in	232,675	-	308,102
Transfers out	-	-	(3,239,158)
Total other financing sources (uses)	232,675	-	(2,931,056)
CHANGES IN FUND BALANCES	(1,238)	582,155	5,042,989
FUND BALANCES:			
Beginning of year	(57,063)	424,333	27,963,604
End of year	\$ (58,301)	\$ 1,006,488	\$ 33,006,593

(Continued)

City of Culver City
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Gas Tax Special Revenue Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 53,969	\$ 1,596,841	\$ 1,544,024	\$ (52,817)
Investment earnings	-	5,000	33,266	28,266
Total revenues	53,969	1,601,841	1,577,290	(24,551)
EXPENDITURES:				
Capital outlay	1,227,757	2,370,628	1,310,511	1,060,117
Total expenditures	1,227,757	2,370,628	1,310,511	1,060,117
REVENUES OVER (UNDER) EXPENDITURES	(1,173,788)	(768,787)	266,779	1,035,566
OTHER FINANCING USES:				
Transfers out	-	(400,000)	(400,000)	-
Total other financing uses	-	(400,000)	(400,000)	-
CHANGE IN FUND BALANCE	(1,173,788)	(1,168,787)	(133,221)	1,035,566
FUND BALANCE:				
Beginning of year	1,124,990	1,124,990	1,124,990	-
End of year	<u>\$ (48,798)</u>	<u>\$ (43,797)</u>	<u>\$ 991,769</u>	<u>\$ 1,035,566</u>

City of Culver City
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Proposition A Local Return Special Revenue Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 750,000	\$ 750,000	\$ 805,113	\$ 55,113
Investment earnings	3,000	3,000	26,874	23,874
Total revenues	753,000	753,000	831,987	78,987
OTHER FINANCING USES:				
Transfers out	(784,926)	(784,926)	(784,926)	-
Total other financing uses	(784,926)	(784,926)	(784,926)	-
CHANGE IN FUND BALANCE	(31,926)	(31,926)	47,061	78,987
FUND BALANCE:				
Beginning of year	941,673	941,673	941,673	-
End of year	<u>\$ 909,747</u>	<u>\$ 909,747</u>	<u>\$ 988,734</u>	<u>\$ 78,987</u>

City of Culver City
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Proposition C Local Return Special Revenue Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 620,000	\$ 620,000	\$ 667,817	\$ 47,817
Investment earnings	3,500	3,500	28,260	24,760
Total revenues	623,500	623,500	696,077	72,577
OTHER FINANCING USES:				
Transfers out	(503,802)	(503,802)	(610,074)	(106,272)
Total other financing uses	(503,802)	(503,802)	(610,074)	(106,272)
CHANGE IN FUND BALANCE	119,698	119,698	86,003	(33,695)
FUND BALANCE:				
Beginning of year	973,902	973,902	973,902	-
End of year	\$ 1,093,600	\$ 1,093,600	\$ 1,059,905	\$ (33,695)

City of Culver City
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Measure R Special Revenue Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 1,708,681	\$ 2,196,999	\$ 501,007	\$ (1,695,992)
Investment earnings	-	-	6,439	6,439
Total revenues	1,708,681	2,196,999	507,446	(1,689,553)
EXPENDITURES:				
Capital outlay	170,941	415,100	341,099	74,001
Total expenditures	170,941	415,100	341,099	74,001
REVENUES OVER (UNDER) EXPENDITURES	1,537,740	1,781,899	166,347	(1,615,552)
OTHER FINANCING USES:				
Transfers out	-	-	(244,158)	(244,158)
Total other financing uses	-	-	(244,158)	(244,158)
CHANGE IN FUND BALANCE	1,537,740	1,781,899	(77,811)	(1,859,710)
FUND BALANCE:				
Beginning of year	219,528	219,528	219,528	-
End of year	\$ 1,757,268	\$ 2,001,427	\$ 141,717	\$ (1,859,710)

City of Culver City
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Operating Grants Special Revenue Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 539,264	\$ 1,123,527	\$ 611,717	\$ 511,810
Investment earnings	1,000	1,000	6,615	(5,615)
Miscellaneous	53,200	53,200	53,926	(726)
Total revenues	593,464	1,177,727	672,258	(505,469)
EXPENDITURES:				
Current:				
Parks, recreation, and community services	320,635	460,716	448,107	12,609
Police	114,471	149,846	229,573	(79,727)
Fire	8,000	47,894	45,633	2,261
Community development	-	50,000	49,000	1,000
Public works	106,000	408,750	297,138	111,612
Transportation	39,000	43,765	33,641	10,124
Capital outlay	48,000	94,422	55,571	38,851
Total expenditures	636,106	1,255,393	1,158,663	96,730
REVENUES (UNDER) EXPENDITURES	(42,642)	(77,666)	(486,405)	(408,739)
OTHER FINANCING SOURCES:				
Transfers in	60,000	60,000	75,427	15,427
Total other financing sources	60,000	60,000	75,427	15,427
CHANGE IN FUND BALANCE	17,358	(17,666)	(410,978)	(393,312)
FUND BALANCE (DEFICIT):				
Beginning of year	(131,064)	(131,064)	(131,064)	-
End of year	<u>\$ (113,706)</u>	<u>\$ (148,730)</u>	<u>\$ (542,042)</u>	<u>\$ (393,312)</u>

City of Culver City
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Section 8 Housing Special Revenue Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 1,504,199	\$ 1,504,199	\$ 1,604,529	\$ 100,330
Investment earnings	-	-	6,447	6,447
Miscellaneous	2,500	2,500	4,297	1,797
Total revenues	1,506,699	1,506,699	1,615,273	108,574
EXPENDITURES:				
Current:				
Community development	1,786,234	1,897,711	1,580,714	316,997
Total expenditures	1,786,234	1,897,711	1,580,714	316,997
REVENUES OVER (UNDER) EXPENDITURES	(279,535)	(391,012)	34,559	425,571
CHANGE IN FUND BALANCE	(279,535)	(391,012)	34,559	425,571
FUND BALANCE:				
Beginning of year	1,197,357	1,197,357	1,197,357	-
End of year	\$ 917,822	\$ 806,345	\$ 1,231,916	\$ 425,571

City of Culver City
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Art in Public Places Special Revenue Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Licenses and permits	\$ 350,000	\$ 343,000	\$ 431,439	\$ 88,439
Investment earnings	-	-	72,435	72,435
Total revenues	350,000	343,000	503,874	160,874
EXPENDITURES:				
Current:				
General government	679,957	1,362,196	284,395	1,077,801
Community development	-	6,890	1,869	5,021
Total expenditures	679,957	1,369,086	286,264	1,082,822
REVENUES OVER (UNDER) EXPENDITURES	(329,957)	(1,026,086)	217,610	1,243,696
CHANGE IN FUND BALANCE	(329,957)	(1,026,086)	217,610	1,243,696
FUND BALANCE:				
Beginning of year	2,717,095	2,717,095	2,717,095	-
End of year	\$ 2,387,138	\$ 1,691,009	\$ 2,934,705	\$ 1,243,696

City of Culver City
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Community Development Special Revenue Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Licenses and permits	\$ -	\$ -	\$ 611,282	\$ 611,282
Charges for services	-	-	-	-
Investment earnings	-	250	13,253	13,003
Total revenues	-	250	624,535	624,285
EXPENDITURES:				
Capital outlay	71,122	271,122	230,494	40,628
Total expenditures	71,122	271,122	230,494	40,628
REVENUES OVER (UNDER) EXPENDITURES	(71,122)	(270,872)	394,041	664,913
CHANGE IN FUND BALANCE	(71,122)	(270,872)	394,041	664,913
FUND BALANCE:				
Beginning of year	340,008	340,008	340,008	-
End of year	\$ 268,886	\$ 69,136	\$ 734,049	\$ 664,913

City of Culver City
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Community Development Block Grant (CDBG) Special Revenue Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 28,500	\$ 28,500	\$ 25,494	\$ (3,006)
Total revenues	28,500	28,500	25,494	(3,006)
EXPENDITURES:				
Current:				
Parks, recreation, and community services	28,500	28,500	25,494	3,006
Total expenditures	28,500	28,500	25,494	3,006
CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCE:				
Beginning of year	-	-	-	-
End of year	\$ -	\$ -	\$ -	\$ -

City of Culver City
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Special Assessment Special Revenue Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Charges for services	\$ 90,940	\$ 90,940	\$ 93,308	\$ 2,368
Investment earnings	500	500	10,116	9,616
Total revenues	91,440	91,440	103,424	11,984
EXPENDITURES:				
Current:				
Community development	155,740	161,810	20,150	141,660
Total expenditures	155,740	161,810	20,150	141,660
CHANGE IN FUND BALANCE	(64,300)	(70,370)	83,274	153,644
FUND BALANCE:				
Beginning of year	340,293	340,293	340,293	-
End of year	\$ 275,993	\$ 269,923	\$ 423,567	\$ 153,644

City of Culver City
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Park Facilities Special Revenue Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Charges for services	\$ 50,000	\$ 50,000	\$ 98,566	\$ 48,566
Investment earnings	-	-	34,598	34,598
Total revenues	50,000	50,000	133,164	83,164
EXPENDITURES:				
Capital outlay	702,033	928,763	178,460	750,303
Total expenditures	702,033	928,763	178,460	750,303
CHANGE IN FUND BALANCE	(652,033)	(878,763)	(45,296)	833,467
FUND BALANCE:				
Beginning of year	1,398,376	1,398,376	1,398,376	-
End of year	<u>\$ 746,343</u>	<u>\$ 519,613</u>	<u>\$ 1,353,080</u>	<u>\$ 833,467</u>

City of Culver City
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Asset Seizure Special Revenue Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ 130,404	\$ 434,621	\$ 304,217
Investment earnings	-	-	27,221	27,221
Miscellaneous	-	-	4,524	4,524
Total revenues	-	130,404	466,366	335,962
EXPENDITURES:				
Current:				
Police	59,290	127,385	127,385	-
Capital outlay	-	212,309	116,070	96,239
Total expenditures	59,290	339,694	243,455	96,239
CHANGE IN FUND BALANCE	(59,290)	(209,290)	222,911	432,201
FUND BALANCE:				
Beginning of year	907,399	907,399	907,399	-
End of year	\$ 848,109	\$ 698,109	\$ 1,130,310	\$ 432,201

City of Culver City
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Parking Authority Special Revenue Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Licenses and permits	\$ 200,000	\$ 200,000	\$ 253,312	\$ 53,312
Charges for services	4,479,200	4,479,200	5,266,486	787,286
Investment earnings	10,000	10,000	271,636	261,636
Miscellaneous	-	-	58,155	58,155
Total revenues	4,689,200	4,689,200	5,849,589	1,160,389
EXPENDITURES:				
Current:				
General government	150,000	150,000	147,452	2,548
Community development	2,001,500	3,001,592	1,651,026	1,350,566
Capital outlay	763,732	1,207,117	203,910	1,003,207
Total expenditures	2,915,232	4,358,709	2,002,388	2,356,321
REVENUES OVER (UNDER) EXPENDITURES	1,773,968	330,491	3,847,201	3,516,710
OTHER FINANCING USES:				
Transfers out	(1,200,000)	(1,200,000)	(1,200,000)	-
Total other financing uses	(1,200,000)	(1,200,000)	(1,200,000)	-
CHANGE IN FUND BALANCE	573,968	(869,509)	2,647,201	3,516,710
FUND BALANCE:				
Beginning of year	9,052,198	9,052,198	9,052,198	-
End of year	\$ 9,626,166	\$ 8,182,689	\$ 11,699,399	\$ 3,516,710

City of Culver City
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Safe/Clean Water Protection Special Revenue Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Charges for services	\$ 2,060,000	\$ 2,060,000	\$ 2,089,077	\$ 29,077
Investment earnings	-	-	204,557	204,557
Total revenues	2,060,000	2,060,000	2,293,634	233,634
EXPENDITURES:				
Current:				
Community development	-	13,076	13,076	-
Capital outlay	2,300,000	9,422,047	949,180	8,472,867
Total expenditures	2,300,000	9,435,123	962,256	8,472,867
CHANGE IN FUND BALANCE	(240,000)	(7,375,123)	1,331,378	8,706,501
FUND BALANCE:				
Beginning of year	7,436,684	7,436,684	7,436,684	-
End of year	\$ 7,196,684	\$ 61,561	\$ 8,768,062	\$ 8,706,501

City of Culver City
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Building Surcharge Special Revenue Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Licenses and permits	\$ 250,000	\$ 250,000	\$ 396,208	\$ 146,208
Investment earnings	-	-	28,326	28,326
Total revenues	250,000	250,000	424,534	174,534
EXPENDITURES:				
Current:				
Community development	404,587	1,026,265	302,626	723,639
Public works	44,840	44,840	42,332	2,508
Capital outlay	7,000	116,993	14,236	102,757
Total expenditures	456,427	1,188,098	359,194	828,904
CHANGE IN FUND BALANCE	(206,427)	(938,098)	65,340	1,003,438
FUND BALANCE:				
Beginning of year	1,077,895	1,077,895	1,077,895	-
End of year	\$ 871,468	\$ 139,797	\$ 1,143,235	\$ 1,003,438

City of Culver City
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Paratransit Special Revenue Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 71,141	\$ 71,141	\$ 70,012	\$ (1,129)
Total revenues	<u>71,141</u>	<u>71,141</u>	<u>70,012</u>	<u>(1,129)</u>
EXPENDITURES:				
Current:				
Transportation	312,867	312,867	303,925	8,942
Total expenditures	<u>312,867</u>	<u>312,867</u>	<u>303,925</u>	<u>8,942</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(241,726)</u>	<u>(241,726)</u>	<u>(233,913)</u>	<u>7,813</u>
OTHER FINANCING SOURCES:				
Transfers in	241,726	241,726	232,675	(9,051)
Total other financing sources	<u>241,726</u>	<u>241,726</u>	<u>232,675</u>	<u>(9,051)</u>
CHANGE IN FUND BALANCE	-	-	(1,238)	(1,238)
FUND BALANCE:				
Beginning of year	(57,063)	(57,063)	(57,063)	-
End of year	<u>\$ (57,063)</u>	<u>\$ (57,063)</u>	<u>\$ (58,301)</u>	<u>\$ (1,238)</u>

City of Culver City
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Measure M Special Revenue Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 553,414	\$ 553,414	\$ 564,684	\$ 11,270
Investment earnings	-	-	17,471	17,471
Total revenues	553,414	553,414	582,155	28,741
EXPENDITURES:				
Capital outlay	960,000	960,000	-	960,000
Total expenditures	960,000	960,000	-	960,000
REVENUES OVER (UNDER) EXPENDITURES	(406,586)	(406,586)	582,155	988,741
OTHER FINANCING USES:				
Transfers out	(244,159)	(244,159)	-	(244,159)
Total other financing uses	(244,159)	(244,159)	-	(244,159)
CHANGE IN FUND BALANCE	(650,745)	(650,745)	582,155	1,232,900
FUND BALANCE:				
Beginning of year	424,333	424,333	424,333	-
End of year	\$ (226,412)	\$ (226,412)	\$ 1,006,488	\$ 1,232,900

MAJOR AND NONMAJOR CAPITAL PROJECTS FUNDS

Major Capital Project Fund Includes:

Capital Improvement and Acquisition Fund - To account for capital projects that are not otherwise funded by a special revenue fund or other specifically identified by the sources of funding. Project funding is mainly from general revenues allocated by action of the City Council.

Nonmajor Capital Project Fund Includes:

Cooperative Projects Fund - To account for former Redevelopment Agency unrestricted tax increment funds. These funds were transferred to the City under the 2011 Cooperation and Implementation Agreement (Agreement) and may only be used for qualified capital projects identified in the Agreement.

Capital Improvement Grants Capital Projects Fund - To account for grant funds awards to the City by federal, state, and local grant agencies for capital improvements, and the qualified expenditures of those restricted funds.

CDBG Capital Projects Fund - To account for Community Development Block Grant (CDBG) funds, and the qualified expenditures of these restricted funds for capital improvement projects.

This page intentionally left blank.

City of Culver City
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Capital Improvement and Acquisition Capital Projects Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 4,691,589	\$ 5,072,735	\$ 229,806	\$ (4,842,929)
Investment earnings	25,000	264,746	666,636	401,890
Miscellaneous	-	-	12,294	12,294
Total revenues	4,716,589	5,337,481	908,736	(4,428,745)
EXPENDITURES:				
Current:				
Public works	24,061	24,061	18,729	5,332
Capital outlay	12,834,960	17,230,487	4,211,017	13,019,470
Total expenditures	12,859,021	17,254,548	4,229,746	13,024,802
REVENUES OVER (UNDER) EXPENDITURES	(8,142,432)	(11,917,067)	(3,321,010)	(4,428,745)
OTHER FINANCING SOURCES:				
Transfers in	-	2,813,500	2,790,000	(23,500)
Total other financing sources	-	2,813,500	2,790,000	(23,500)
CHANGE IN FUND BALANCE	(8,142,432)	(9,103,567)	(531,010)	8,572,557
FUND BALANCE:				
Beginning of year	7,518,394	7,518,394	7,518,394	-
End of year	<u>\$ (624,038)</u>	<u>\$ (1,585,173)</u>	<u>\$ 6,987,384</u>	<u>\$ 8,572,557</u>

City of Culver City
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2019

	Cooperative Projects	Capital Improvement Grants	CDBG Capital Projects	Total
ASSETS				
Cash and investments	\$ 3,828,489	\$ -	\$ -	\$ 3,828,489
Interest receivables	798,202	-	-	798,202
Note receivables, net	3,395,000	-	-	3,395,000
Due from other governments	-	1,601,583	8,500	1,610,083
Total assets	\$ 8,021,691	\$ 1,601,583	\$ 8,500	\$ 9,631,774
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 18,000	\$ 168,136	\$ -	\$ 186,136
Due to other funds	-	1,550,109	8,500	1,558,609
Deposits payable	113,245	-	-	113,245
Total liabilities	131,245	1,718,245	8,500	1,857,990
Deferred inflows of resources:				
Unavailable grant revenues	-	1,330,582	-	1,330,582
Total deferred inflows of resources	-	1,330,582	-	1,330,582
Fund Balances:				
Restricted	7,890,446	-	-	7,890,446
Unassigned (deficit)	-	(1,447,244)	-	(1,447,244)
Total fund balances	7,890,446	(1,447,244)	-	6,443,202
Total liabilities, deferred inflows of resources, and fund balances	\$ 8,021,691	\$ 1,601,583	\$ 8,500	\$ 9,631,774

City of Culver City
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended June 30, 2019

	Cooperative Projects	Capital Improvement Grants	CDBG Capital Projects	Total
REVENUES:				
Intergovernmental	\$ -	\$ 1,373,970	\$ 25,676	\$ 1,399,646
Investment earnings	341,220	-	-	341,220
Miscellaneous	608,725	-	-	608,725
Total revenues	949,945	1,373,970	25,676	2,349,591
EXPENDITURES:				
Current:				
Capital outlay	6,827,100	1,519,122	15,227	8,361,449
Total expenditures	6,827,100	1,519,122	15,227	8,361,449
CHANGES IN FUND BALANCES	(5,877,155)	(145,152)	10,449	(6,011,858)
FUND BALANCES (DEFICIT):				
Beginning of year	13,767,601	(1,302,092)	(10,449)	12,455,060
End of year	<u>\$ 7,890,446</u>	<u>\$ (1,447,244)</u>	<u>\$ -</u>	<u>\$ 6,443,202</u>

City of Culver City
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Cooperative Projects Capital Projects Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Investment earnings	\$ -	\$ -	\$ 341,220	\$ 341,220
Miscellaneous	-	-	608,725	608,725
Total revenues	-	-	949,945	949,945
EXPENDITURES:				
Current:				
General government	998,986	998,986	-	998,986
Capital outlay	9,081,513	9,081,513	6,827,100	2,254,413
Total expenditures	10,080,499	10,080,499	6,827,100	3,253,399
CHANGE IN FUND BALANCE	(10,080,499)	(10,080,499)	(5,877,155)	4,203,344
FUND BALANCE:				
Beginning of year	13,767,601	13,767,601	13,767,601	-
End of year	<u>\$ 3,687,102</u>	<u>\$ 3,687,102</u>	<u>\$ 7,890,446</u>	<u>\$ 4,203,344</u>

City of Culver City
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Capital Improvement Grants Capital Projects Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 19,865,454	\$ 19,829,219	\$ 1,373,970	\$ (18,455,249)
Total revenues	<u>19,865,454</u>	<u>19,829,219</u>	<u>1,373,970</u>	<u>(18,455,249)</u>
EXPENDITURES:				
Current:				
Public works	21,989	21,989	-	43,978
Capital outlay	9,438,485	14,074,189	1,519,122	12,555,067
Total expenditures	<u>9,460,474</u>	<u>14,096,178</u>	<u>1,519,122</u>	<u>12,599,045</u>
CHANGE IN FUND BALANCE	<u>10,404,980</u>	<u>5,733,041</u>	<u>(145,152)</u>	<u>(5,878,193)</u>
FUND BALANCE (DEFICIT):				
Beginning of year	(1,302,092)	(1,302,092)	(1,302,092)	-
End of year	<u>\$ 9,102,888</u>	<u>\$ 4,430,949</u>	<u>\$ (1,447,244)</u>	<u>\$ (5,878,193)</u>

City of Culver City
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
CDBG Capital Projects Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 470,273	\$ 634,137	\$ 25,676	\$ (608,461)
Total revenues	470,273	634,137	25,676	(608,461)
EXPENDITURES:				
Capital outlay	422,026	583,526	15,227	568,299
Debt service: Principal payments	5,000	5,000	-	5,000
Debt service: Interest and fiscal charges	25,435	25,435	-	25,435
Total expenditures	452,461	613,961	15,227	598,734
CHANGE IN FUND BALANCE	17,812	20,176	10,449	(9,727)
FUND BALANCE (DEFICIT):				
Beginning of year	(10,449)	(10,449)	(10,449)	-
End of year	<u>\$ 7,363</u>	<u>\$ 9,727</u>	<u>\$ -</u>	<u>\$ (9,727)</u>

INTERNAL SERVICE FUNDS

The Internal Service Fund accounts for financing of goods and services provided by one department to other departments of the City on a cost-reimbursement basis.

Internal Service Funds include:

Equipment Replacement Fund - Used to hold annual replacement payments from designated user departments and to use those funds to purchase equipment for general City purposes.

Equipment Maintenance Fund - Accounts for all activities of the City's central fleet maintenance operations, the costs of which are distributed among the designated user departments.

Risk Management Fund - Receives and disburses funds pertaining to the public liability and workers' compensation insurance programs. It also funds the Employee Disability (Injured On Duty) program for employee long-term work-related disabilities.

Central Stores Fund - Accounts for the timely purchase of needed materials, supplies and auto parts in advance of actual need. Departments are billed as items are issued for use.

City of Culver City
Combining Statement of Net Position
All Internal Service Funds
June 30, 2019

	Equipment Replacement	Equipment Maintenance	Risk Management	Central Stores	Total
ASSETS					
Current assets:					
Cash and investments	\$ 8,060,557	\$ -	\$ 2,587,742	\$ -	\$ 10,648,299
Accounts receivables, net	21,010	25,519	17,953	256	64,738
Interest receivables	35,698	1,903	8,203	-	45,804
Due from other funds	-	-	-	103	103
Inventories	-	125,493	-	579,917	705,410
Total current assets	8,117,265	152,915	2,613,898	580,276	11,464,354
Noncurrent assets:					
Capital assets:					
Construction in progress	2,221,762	-	-	-	2,221,762
Machinery and equipment	27,642,701	352,184	42,219	-	28,037,104
Less accumulated depreciation	(17,991,411)	(315,384)	(42,046)	-	(18,348,841)
Capital assets, net	11,873,052	36,800	173	-	11,910,025
Total noncurrent assets	11,873,052	36,800	173	-	11,910,025
Total assets	19,990,317	189,715	2,614,071	580,276	23,374,379
DEFERRED OUTFLOWS OF RESOURCES					
Pension related amounts	-	1,079,555	391,441	-	1,470,996
Other postemployment benefits related amounts	-	144,906	28,809	-	173,715
Total deferred outflows of resources	-	1,224,461	420,250	-	1,644,711

(Continued)

City of Culver City
Combining Statement of Net Position (Continued)
All Internal Service Funds
June 30, 2019

	Equipment Replacement	Equipment Maintenance	Risk Management	Central Stores	Total
LIABILITIES					
Current liabilities:					
Accounts payable	\$ 3,058,333	\$ 232,330	\$ 95,965	\$ 50,231	\$ 3,436,859
Salaries and benefits payable	-	91,767	25,430	-	117,197
Due to other funds	-	75,619	-	530,045	605,664
Compensated absences - due within one year	-	249,438	5,168	-	254,606
Claims payable - due within one year	-	-	3,816,408	-	3,816,408
Total current liabilities	<u>3,058,333</u>	<u>649,154</u>	<u>3,942,971</u>	<u>580,276</u>	<u>8,230,734</u>
Noncurrent liabilities:					
Compensated absences - due in more than one year	-	596,392	12,864	-	609,256
Claims payable - due in more than one year	-	-	12,154,213	-	12,154,213
Net pension liabilities	-	7,095,368	2,572,748	-	9,668,116
Net other postemployment benefits liabilities	-	2,574,252	511,786	-	3,086,038
Total noncurrent liabilities	<u>-</u>	<u>10,266,012</u>	<u>15,251,611</u>	<u>-</u>	<u>25,517,623</u>
Total liabilities	<u>3,058,333</u>	<u>10,915,166</u>	<u>19,194,582</u>	<u>580,276</u>	<u>33,748,357</u>
DEFERRED INFLOWS OF RESOURCES					
Pension related amounts	-	192,422	69,771	-	262,193
Other postemployment benefits related amounts	-	329,584	65,525	-	395,109
Total deferred inflows of resources	<u>-</u>	<u>522,006</u>	<u>135,296</u>	<u>-</u>	<u>657,302</u>
NET POSITION					
Investment in capital assets	11,873,052	36,800	173	-	11,910,025
Unrestricted (deficit)	5,058,932	(10,059,796)	(16,295,730)	-	(21,296,594)
Total net position	<u>\$ 16,931,984</u>	<u>\$ (10,022,996)</u>	<u>\$ (16,295,557)</u>	<u>\$ -</u>	<u>\$ (9,386,569)</u>

(Concluded)

City of Culver City
Combining Statement of Revenues, Expenses and Changes in Net Position
All Internal Service Funds
For the Year Ended June 30, 2019

	Equipment Replacement	Equipment Maintenance	Risk Management	Central Stores	Total
OPERATING REVENUES:					
Sales and service charges	\$ 2,058,874	\$ 8,441,076	\$ 7,306,519	\$ 1,805,745	\$ 19,612,214
Miscellaneous	-	3,054	30,517	256	33,827
Total operating revenues	2,058,874	8,444,130	7,337,036	1,806,001	19,646,041
OPERATING EXPENSES:					
Salaries and benefits	-	5,037,077	1,606,259	-	6,643,336
Supplies	-	1,914,680	73,001	224,504	2,212,185
Repairs and maintenance	368,470	2,009,263	-	1,339,257	3,716,990
Insurance	-	150,502	1,669,293	-	1,819,795
Claims and settlements	-	-	5,953,246	-	5,953,246
Consulting and contractual services	-	88,893	391,103	-	479,996
Depreciation	1,538,671	22,246	518	-	1,561,435
Total operating expenses	1,907,141	9,222,661	9,693,420	1,563,761	22,386,983
OPERATING INCOME (LOSS)	151,733	(778,531)	(2,356,384)	242,240	(2,740,942)
NONOPERATING REVENUES:					
Investment earnings	185,868	8,791	71,542	-	266,201
Intergovernmental	-	250	-	-	250
Gain on sales of property	68,374	-	-	-	68,374
Total nonoperating revenues	254,242	9,041	71,542	-	334,825
CHANGES IN NET POSITION	405,975	(769,490)	(2,284,842)	242,240	(2,406,117)
NET POSITION (DEFICIT):					
Beginning of year	16,526,009	(9,253,506)	(14,010,715)	(242,240)	(6,980,452)
End of year	<u>\$ 16,931,984</u>	<u>\$ (10,022,996)</u>	<u>\$ (16,295,557)</u>	<u>\$ -</u>	<u>\$ (9,386,569)</u>

City of Culver City
Combining Statement of Cash Flows
All Internal Service Funds
For the Year Ended June 30, 2019

	Equipment Replacement	Equipment Maintenance	Risk Management	Central Stores	Total
CASH FLOWS FROM OPERATING ACTIVITIES:					
Receipts from user departments	\$ 2,037,864	\$ 8,415,580	\$ 7,288,566	\$ 1,805,625	\$ 19,547,635
Receipts from operating revenue	-	3,054	30,517	256	33,827
Insurance recovery	-	-	239,671	-	239,671
Payments to suppliers for goods and services	2,612,527	(4,025,837)	(8,071,442)	(1,439,704)	(10,924,456)
Payments to employees	-	(4,942,210)	(1,506,929)	-	(6,449,139)
Net cash provided by (used in) operating activities	4,650,391	(549,413)	(2,019,617)	366,177	2,447,538
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Operating grants	-	5,071	-	-	5,071
Cash paid to other funds	(1,480)	-	-	(366,177)	(367,657)
Net cash provided by (used in) noncapital financing activities	(1,480)	5,071	-	(366,177)	(362,586)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Acquisition of capital assets	(3,888,093)	(18,605)	-	-	(3,906,698)
Proceeds from sales of capital assets	108,983	-	-	-	108,983
Net cash (used in) capital and related financing activities	(3,779,110)	(18,605)	-	-	(3,797,715)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest received	174,271	8,921	81,556	-	264,748
Net cash provided by investing activities	174,271	8,921	81,556	-	264,748
Net change in cash and cash equivalents	1,044,072	(554,026)	(1,938,061)	-	(1,448,015)
CASH AND CASH EQUIVALENTS:					
Beginning of year	7,016,485	554,026	4,525,803	-	12,096,314
End of year	<u>\$ 8,060,557</u>	<u>\$ -</u>	<u>\$ 2,587,742</u>	<u>\$ -</u>	<u>\$ 10,648,299</u>

City of Culver City
Combining Statement of Cash Flows (Continued)
All Internal Service Funds
For the Year Ended June 30, 2019

	Equipment Replacement	Equipment Maintenance	Risk Management	Central Stores	Total
RECONCILIATION OF OPERATING INCOME					
(LOSS) TO NET CASH PROVIDED BY (USED IN)					
OPERATING ACTIVITIES:					
Operating income (loss)	\$ 151,733	\$ (778,531)	\$ (2,356,384)	\$ 242,240	\$ (2,740,942)
Depreciation	1,538,671	22,246	518	-	1,561,435
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
(Increase) decrease in accounts receivable	(21,010)	(25,496)	(17,953)	(120)	(64,579)
(Increase) decrease in inventories	-	(4,131)	-	131,592	127,461
(Increase) decrease in deferred outflows of resources					
Pension related	-	526,628	190,954	-	717,582
OPEB related	-	26,878	5,344	-	32,222
Increase (decrease) in accounts payable	2,980,997	141,632	15,201	(7,535)	3,130,295
Increase (decrease) in accrued liabilities	-	4,848	2,090	-	6,938
Increase (decrease) in compensated absences	-	(88,488)	(661)	-	(89,149)
Increase (decrease) in net pension liabilities	-	(176,500)	(63,998)	-	(240,498)
Increase (decrease) in OPEB	-	(91,379)	(18,167)	-	(109,546)
Increase (decrease) in claims payable	-	-	239,671	-	239,671
(Increase) decrease in deferred inflows of resources					
Pension related	-	30,921	11,211	-	42,132
OPEB related	-	(138,041)	(27,443)	-	(165,484)
Total adjustments	4,498,658	229,118	336,767	123,937	5,188,480
Net cash provided by (used in) operating activities	\$ 4,650,391	\$ (549,413)	\$ (2,019,617)	\$ 366,177	\$ 2,447,538

AGENCY FUND FINANCIAL STATEMENTS

Treasurer's Trust Agency Fund - to account for refundable deposits entrusted with the City Treasurer/Finance.

Revitalization Corporation Agency Fund - A non-profit corporation created to allow certain funding to be expended on improvements to out-of-city properties adjacent to or abutting in-city properties in Component Area Number 2 of the Culver City Redevelopment Project Area.

This page intentionally left blank.

City of Culver City
Combining Statement of Agency Assets and Liabilities
Agency Funds
June 30, 2019

	Agency Funds		
	Treasurer's Trust	Revitalization Corporation	Total
ASSETS			
Cash and investments	\$ 11,623	\$ 61,357	\$ 72,980
Total assets	\$ 11,623	\$ 61,357	\$ 72,980
LIABILITIES			
Deposits	\$ 11,623	\$ 61,357	\$ 72,980
Total liabilities	\$ 11,623	\$ 61,357	\$ 72,980

City of Culver City
Combining Statement of Changes in Agency Assets and Liabilities
Agency Funds
For the Year Ended June 30, 2019

	Balance July 1, 2018	Additions	Deletions	Balance June 30, 2019
<u>Treasurer's Trust</u>				
Assets:				
Cash and investments	\$ 11,623	\$ 222,500	\$ (222,500)	\$ 11,623
Total assets	\$ 11,623	\$ 222,500	\$ (222,500)	\$ 11,623
Liabilities:				
Deposits payable	\$ 11,623	\$ 222,500	\$ (222,500)	\$ 11,623
Total liabilities	\$ 11,623	\$ 222,500	\$ (222,500)	\$ 11,623
<u>Revitalization Corporation</u>				
Assets:				
Cash and investments	\$ 61,357	\$ -	\$ -	\$ 61,357
Total assets	\$ 61,357	\$ -	\$ -	\$ 61,357
Liabilities:				
Deposits payable	61,357	\$ -	\$ -	61,357
Total liabilities	\$ 61,357	\$ -	\$ -	\$ 61,357
<u>Total All Agency Funds</u>				
Assets:				
Cash and investments	\$ 72,980	\$ 222,500	\$ (222,500)	\$ 72,980
Total assets	\$ 72,980	\$ 222,500	\$ (222,500)	\$ 72,980
Liabilities:				
Deposits payable	\$ 72,980	\$ 222,500	\$ (222,500)	\$ 72,980
Total liabilities	\$ 72,980	\$ 222,500	\$ (222,500)	\$ 72,980

STATISTICAL SECTION

This page intentionally left blank.

City of Culver City
Description of Statistical Section Contents
June 30, 2019

This part of the City of Culver City's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information say about the government's overall financial health.

Contents:	Pages
Financial Trends - These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	182-187
Revenue Capacity - These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	188-199
Debt Capacity - These schedules present information to help the reader assess the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt in the future.	200-204
Demographic and Economic Information - These schedules offer demographics and economic indicators to help the reader understand the environment within which the City's financial activities take place.	205-210
Operating Information - These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report related to the services the City provides and activities it performs.	211-214

City of Culver City
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2010	2011	2012	2013	2014
Governmental activities					
Net investment in capital assets	\$ 3,324,019	\$ 255,967	\$ 151,247,364	\$ 143,056,650	\$ 143,775,699
Restricted	109,425,542	120,932,521	128,661,077	96,457,750	96,157,539
Unrestricted	16,060,402	14,107,002	12,084,442	21,999,556	33,896,113
Total governmental activities net position	<u>\$ 128,809,963</u>	<u>\$ 135,295,490</u>	<u>\$ 291,992,883</u>	<u>\$ 261,513,956</u>	<u>\$ 273,829,351</u>
Business-type activities					
Net investment in capital assets	\$ 43,057,219	\$ 44,772,760	\$ 51,007,687	\$ 50,787,094	\$ 55,216,555
Restricted	-	-	2,147,433	2,171,794	2,176,609
Unrestricted	32,440,211	31,563,720	34,373,274	33,449,555	31,679,756
Total business-type activities net position	<u>\$ 75,497,430</u>	<u>\$ 76,336,480</u>	<u>\$ 87,528,394</u>	<u>\$ 86,408,443</u>	<u>\$ 89,072,920</u>
Primary government					
Net investment in capital assets	\$ 46,381,238	\$ 45,028,727	\$ 202,255,051	\$ 193,843,744	\$ 198,992,254
Restricted	109,425,542	120,932,521	130,808,510	98,629,544	98,334,148
Unrestricted	48,500,613	45,670,722	46,457,716	55,449,111	65,575,869
Total primary government net position	<u>\$ 204,307,393</u>	<u>\$ 211,631,970</u>	<u>\$ 379,521,277</u>	<u>\$ 347,922,399</u>	<u>\$ 362,902,271</u>

Note: The City of Culver City began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003

City of Culver City
Net Position by Component (Continued)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2015	2016	2017	2018	2019
Governmental activities					
Net investment in capital assets	\$ 138,194,791	\$ 136,967,403	\$ 144,639,910	\$ 162,634,242	\$ 174,897,818
Restricted	80,777,328	83,083,502	90,048,591	70,969,965	65,586,867
Unrestricted	(171,257,691)	(156,905,843)	(159,583,947)	(162,306,355)	(153,018,185)
Total governmental activities net position	<u>\$ 47,714,428</u>	<u>\$ 63,145,062</u>	<u>\$ 75,104,554</u>	<u>\$ 71,297,852</u>	<u>\$ 87,466,500</u>
Business-type activities					
Net investment in capital assets	\$ 54,690,405	\$ 57,051,460	\$ 72,309,196	\$ 71,580,562	\$ 72,974,924
Restricted	2,185,415	1,652,641	1,608,838	1,658,185	1,663,167
Unrestricted	(3,173,794)	(4,995,724)	(13,213,561)	(15,089,840)	(17,980,821)
Total business-type activities net position	<u>\$ 53,702,026</u>	<u>\$ 53,708,377</u>	<u>\$ 60,704,473</u>	<u>\$ 58,148,907</u>	<u>\$ 56,657,270</u>
Primary government					
Net investment in capital assets	\$ 192,885,196	\$ 194,018,863	\$ 216,949,106	\$ 234,214,804	\$ 247,872,742
Restricted	82,962,743	84,736,143	91,657,429	72,628,150	67,250,034
Unrestricted	(174,431,485)	(161,901,567)	(172,797,508)	(177,396,195)	(170,999,006)
Total primary government net position	<u>\$ 101,416,454</u>	<u>\$ 116,853,439</u>	<u>\$ 135,809,027</u>	<u>\$ 129,446,759</u>	<u>\$ 144,123,770</u>

Note: The City of Culver City began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003

City of Culver City
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2010	2011	2012	2013	2014
Expenses					
Governmental activities:					
General government	\$ 9,892,196	\$ 5,621,826	\$ 12,279,581	\$ 8,445,889	\$ 7,862,533
Parks, recreation and community services	7,835,307	8,088,964	7,476,362	7,367,387	7,780,264
Police	31,669,431	31,788,033	29,939,290	30,336,287	33,869,176
Fire	18,546,617	17,740,363	18,048,628	18,077,245	19,179,679
Community Development	19,317,046	46,579,065	28,707,314	9,661,939	10,013,569
Public Works	14,616,281	13,163,149	16,484,258	11,360,132	11,789,014
Transportation	-	-	-	291,612	286,165
Interest on long-term debt	8,107,981	8,579,601	3,786,951	74,649	47,962
Total governmental activities expenses	<u>109,984,859</u>	<u>131,561,001</u>	<u>116,722,384</u>	<u>85,615,140</u>	<u>90,828,362</u>
Business-type activities					
Refuse Disposal Fund	10,751,063	10,667,440	10,605,613	10,841,375	11,549,661
Municipal Bus Lines Fund	18,418,501	19,088,076	19,591,642	22,752,400	21,491,866
Sewer Enterprise Fund	8,400,664	8,068,600	7,834,922	7,401,222	9,357,548
Municipal Fiber Network	-	-	-	-	-
Total business-type activities expenses	<u>37,570,228</u>	<u>37,824,116</u>	<u>38,032,177</u>	<u>40,994,997</u>	<u>42,399,075</u>
Total primary government expenses	<u>147,555,087</u>	<u>169,385,117</u>	<u>154,754,561</u>	<u>126,610,137</u>	<u>133,227,437</u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 681,128	\$ 271,516	\$ 325,001	\$ 556,792	\$ 1,479,181
Parks and recreation	2,364,235	2,416,182	2,398,033	2,448,788	2,660,125
Police	4,963,657	5,118,168	3,591,328	3,896,275	4,547,121
Fire	3,254,189	2,234,203	2,447,007	2,533,844	3,001,288
Community Development	6,947,986	5,800,395	7,217,615	6,841,558	8,633,692
Public Works	1,020,461	1,849,759	1,637,526	1,619,054	1,896,937
Transportation	-	-	-	4,352	5,009
Operating Contributions and Grants	5,127,862	6,342,237	8,667,062	6,844,461	6,577,663
Capital Grants and Contributions	4,316,975	3,525,001	4,182,936	4,991,312	2,493,998
Total governmental activities program revenues	<u>28,676,493</u>	<u>27,557,461</u>	<u>30,466,508</u>	<u>29,736,436</u>	<u>31,295,014</u>
Business-type activities:					
Charges for services:					
Refuse Disposal Fund	11,154,752	11,646,192	11,555,536	11,419,668	11,732,899
Municipal Bus Lines Fund	3,257,360	3,595,784	3,803,136	4,011,320	3,796,169
Sewer Enterprise Fund	9,079,094	8,638,408	7,874,554	8,141,464	8,999,538
Municipal Fiber Network	-	-	-	-	-
Operating grants and contributions	9,503,221	11,062,738	15,087,791	14,496,326	15,781,669
Capital grants and contributions	52,915	2,588,325	11,066,909	1,938,724	4,224,835
Total business-type activities program revenues	<u>33,047,342</u>	<u>37,531,447</u>	<u>49,387,926</u>	<u>40,007,502</u>	<u>44,535,110</u>
Total primary government program revenues	<u>\$ 61,723,835</u>	<u>\$ 65,088,908</u>	<u>\$ 79,854,434</u>	<u>\$ 69,743,938</u>	<u>\$ 75,830,124</u>

Note: The City of Culver City implemented GASB 34 for the fiscal year ended 2003.

City of Culver City
Changes in Net Position (Continued)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2015	2016	2017	2018	2019
Expenses					
Governmental activities:					
General government	\$ 22,383,141	\$ 13,358,925	\$ 14,990,643	\$ 26,854,930	\$ 17,862,641
Parks, recreation and community services	8,325,466	8,775,491	9,022,335	11,501,839	11,838,330
Police	32,806,197	36,045,013	40,121,314	45,463,577	45,771,756
Fire	19,167,988	20,374,502	23,019,797	26,764,984	27,136,117
Community Development	10,460,975	13,645,410	24,698,337	13,250,693	13,649,676
Public Works	14,477,308	12,586,907	12,948,758	14,132,972	15,572,218
Transportation	263,200	364,621	485,925	1,009,270	970,326
Interest on long-term debt	11,520	-	-	-	-
Total governmental activities expenses	<u>107,895,795</u>	<u>105,150,869</u>	<u>125,287,109</u>	<u>138,978,265</u>	<u>132,801,064</u>
Business-type activities:					
Refuse Disposal Fund	11,783,785	11,192,703	12,254,241	14,811,894	15,905,856
Municipal Bus Lines Fund	22,324,977	23,080,082	24,242,317	27,546,738	27,317,029
Sewer Enterprise Fund	9,765,471	9,875,998	9,076,812	8,144,996	9,583,110
Municipal Fiber Network	-	1,963	1,430,316	1,720,771	2,713,855
Total business-type activities expenses	<u>43,874,233</u>	<u>44,150,746</u>	<u>47,003,686</u>	<u>52,224,399</u>	<u>55,519,850</u>
Total primary government expenses	<u>151,770,028</u>	<u>149,301,615</u>	<u>172,290,795</u>	<u>191,202,664</u>	<u>188,320,914</u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 2,238,222	\$ 3,420,061	\$ 2,465,017	\$ 5,100,366	\$ 5,590,272
Parks and recreation	2,926,314	2,981,697	3,099,475	3,510,388	3,771,176
Police	4,455,096	4,661,925	5,640,905	6,380,868	5,984,564
Fire	2,786,350	3,469,803	3,639,515	4,099,395	4,464,004
Community Development	7,478,274	10,055,969	10,372,275	14,267,654	12,481,979
Public Works	2,126,165	2,152,282	2,554,688	3,056,562	3,207,741
Transportation	5,776	4,348	4,426	30,193	67,263
Operating Contributions and Grants	6,077,562	6,887,267	5,200,729	5,936,262	6,660,280
Capital Grants and Contributions	2,825,117	1,195,595	6,235,656	4,659,933	2,668,902
Total governmental activities program revenues	<u>30,918,876</u>	<u>34,828,947</u>	<u>39,212,686</u>	<u>47,041,621</u>	<u>44,896,181</u>
Business-type activities:					
Charges for services:					
Refuse Disposal Fund	11,745,590	12,559,906	13,086,289	14,644,140	16,011,416
Municipal Bus Lines Fund	3,760,517	3,582,271	3,188,558	3,041,100	2,908,933
Sewer Enterprise Fund	9,185,121	9,936,490	9,003,222	9,724,306	11,020,326
Municipal Fiber Network	-	-	-	-	35,655
Operating grants and contributions	15,906,511	16,165,460	25,844,886	19,329,775	20,011,475
Capital grants and contributions	729,378	1,220,528	1,621,358	1,272,523	510,463
Total business-type activities program revenues	<u>41,327,117</u>	<u>43,464,655</u>	<u>52,744,313</u>	<u>48,011,844</u>	<u>50,498,268</u>
Total primary government program revenues	<u>\$ 72,245,993</u>	<u>\$ 78,293,602</u>	<u>\$ 91,956,999</u>	<u>\$ 95,053,465</u>	<u>\$ 95,394,449</u>

Note: The City of Culver City implemented GASB 34 for the fiscal year ended 2003.

City of Culver City
Changes in Net Position (Continued)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2010	2011	2012	2013	2014
Net (Expense)/Revenue					
Governmental activities	\$ (81,308,367)	\$ (104,003,540)	\$ (86,255,876)	\$ (55,878,704)	\$ (59,533,348)
Business-type activities	(4,522,886)	(292,669)	11,355,749	(987,495)	2,136,035
Total primary government net expense	<u>\$ (85,831,253)</u>	<u>\$ (104,296,209)</u>	<u>\$ (74,900,127)</u>	<u>\$ (56,866,199)</u>	<u>\$ (57,397,313)</u>
General Revenues and Other Changes in Net Position					
Governmental activities :					
Taxes					
Property taxes	\$ 25,751,846	\$ 39,842,728	\$ 22,211,508	\$ 8,674,103	\$ 7,308,615
Sales taxes	14,314,156	16,192,369	16,970,122	19,791,627	27,692,291
Utility users tax	14,142,799	14,489,841	14,363,708	14,518,808	14,839,873
Franchise taxes	1,278,427	1,348,274	1,271,563	1,399,727	1,449,956
Business license taxes	9,653,597	10,049,265	9,930,602	10,253,802	11,214,234
Transient occupancy taxes	2,967,131	3,283,896	3,781,092	5,195,349	5,608,151
Other taxes	369,409	1,982,979	555,444	743,702	1,313,693
Motor vehicle in lieu taxes (Intergov't revenue)	3,476,976	3,484,424	3,423,230	3,449,068	3,735,235
Use of money and property	3,650,929	1,427,225	802,047	1,446,295	2,070,913
Gain (Loss) on sale of capital assets	395,000	14,110,004	30,743	-	(293,338)
Other	78,000	509,941	1,261,723	731,825	342,257
Transfers	(1,715,039)	(316,947)	(343,073)	(398,441)	(760,438)
Transfers from fiduciary	-	-	-	-	-
Extraordinary gain - transfer of assets and liabilities to					
RDA Successor trust funds	-	-	167,852,017	-	-
Special Items	-	-	-	-	-
Total governmental activities	<u>\$ 74,363,231</u>	<u>\$ 106,403,999</u>	<u>\$ 242,110,726</u>	<u>\$ 65,805,865</u>	<u>\$ 74,521,442</u>
Business-type activities:					
Sales Taxes- Measure R	\$ 1,161,115	\$ 1,418,901	\$ 1,700,105	\$ -	\$ -
Use of money and property	922,589	223,925	179,540	(16,248)	277,385
Other	257,178	104,494	306,834	346,317	342,457
(Loss) on sale of capital assets					
Transfers	553,924	316,947	343,073	398,441	760,438
Total business-type activities	<u>2,894,806</u>	<u>2,064,267</u>	<u>2,529,552</u>	<u>728,510</u>	<u>1,380,280</u>
Total primary government	<u>\$ 77,258,037</u>	<u>\$ 108,468,266</u>	<u>\$ 244,640,278</u>	<u>\$ 66,534,375</u>	<u>\$ 75,901,722</u>
Change in Net Position					
Governmental activities	\$ (6,945,136)	\$ 2,400,459	\$ 155,854,850	\$ 9,927,161	\$ 14,988,094
Business-type activities	(1,628,080)	1,771,598	13,885,301	(258,985)	3,516,315
Total primary government	<u>\$ (8,573,216)</u>	<u>\$ 4,172,057</u>	<u>\$ 169,740,151</u>	<u>\$ 9,668,176</u>	<u>\$ 18,504,409</u>

Note: The City of Culver City implemented GASB Statement 34 for the fiscal year ended June 30, 2003.

City of Culver City
Changes in Net Position (Continued)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2015	2016	2017	2018	2019
Net (Expense)/Revenue					
Governmental activities	\$ (76,976,919)	\$ (70,321,922)	\$ (86,074,423)	\$ (91,936,644)	\$ (87,904,883)
Business-type activities	(2,547,116)	(686,091)	5,740,627	(4,212,555)	(5,021,582)
Total primary government net expense	<u>\$ (79,524,035)</u>	<u>\$ (71,008,013)</u>	<u>\$ (80,333,796)</u>	<u>\$ (96,149,199)</u>	<u>\$ (92,926,465)</u>
General Revenues and Other Changes in Net Position					
Governmental activities :					
Taxes					
Property taxes	\$ 10,009,164	\$ 10,627,556	\$ 11,011,319	\$ 13,790,871	\$ 13,488,817
Sales taxes	28,284,352	30,172,506	29,997,495	31,162,345	32,402,882
Utility users tax	14,774,331	14,544,069	14,104,504	13,970,775	13,173,647
Franchise taxes	1,516,279	1,408,672	1,408,686	1,439,743	1,412,810
Business license taxes	11,808,710	12,299,395	13,373,055	13,168,013	13,991,391
Transient occupancy taxes	6,699,816	7,572,077	7,566,579	7,903,787	8,551,849
Other taxes	1,374,938	1,228,747	631,600	1,731,434	2,668,453
Motor vehicle in lieu taxes (Intergov't revenue)	3,908,299	4,109,366	4,475,719	4,764,501	5,086,293
Use of money and property	1,280,825	849,088	692,450	760,686	3,230,772
Gain (Loss) on sale of capital assets	211	-	-	-	-
Other	14,781,529	617,494	417,212	588,897	1,539,459
Transfers	(919,357)	12,786	(1,093,863)	(1,151,110)	(1,472,842)
Transfers from fiduciary	-	2,310,800	-	-	-
Extraordinary gain - transfer of assets and liabilities to RDA Successor trust funds	-	-	-	-	-
Special Items	(12,541,852)	-	11,599,118	-	-
Total governmental activities	<u>\$ 80,977,245</u>	<u>\$ 85,752,556</u>	<u>\$ 94,183,874</u>	<u>\$ 88,129,942</u>	<u>\$ 94,073,531</u>
Business-type activities:					
Sales Taxes- Measure R	\$ -	\$ -	\$ -	\$ -	\$ -
Use of money and property	216,904	320,931	80,471	113,536	807,284
Other	300,209	384,297	411,639	392,343	2,199,819
(Loss) on sale of capital assets	-	-	(330,504)	-	-
Transfers	919,357	(12,786)	1,093,863	1,151,110	1,472,842
Total business-type activities	<u>1,436,470</u>	<u>692,442</u>	<u>1,255,469</u>	<u>1,656,989</u>	<u>4,479,945</u>
Total primary government	<u>\$ 82,413,715</u>	<u>\$ 86,444,998</u>	<u>\$ 95,439,343</u>	<u>\$ 89,786,931</u>	<u>\$ 98,553,476</u>
Change in Net Position					
Governmental activities	\$ 4,000,326	\$ 15,430,634	\$ 8,109,451	\$ (3,806,702)	\$ 6,168,648
Business-type activities	(1,110,646)	6,351	6,996,096	(2,555,566)	(541,637)
Total primary government	<u>\$ 2,889,680</u>	<u>\$ 15,436,985</u>	<u>\$ 15,105,547</u>	<u>\$ (6,362,268)</u>	<u>\$ 5,627,011</u>

Note: The City of Culver City implemented GASB Statement 34 for the fiscal year ended June 30, 2003.

City of Culver City
Program Revenues By Revenue Function
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2010	2011	2012	2013	2014
Function/Program					
Governmental activities:					
General government	\$ 1,094,188	\$ 1,543,537	\$ 561,872	\$ 2,689,305	\$ 3,455,983
Parks and recreation	3,807,974	3,263,123	3,993,130	2,891,150	2,870,838
Police	5,619,234	5,317,581	4,280,253	4,481,542	5,337,377
Fire	3,254,189	2,234,203	2,447,007	2,777,379	3,230,169
Community Development	8,765,549	7,992,307	9,353,786	9,228,830	10,580,562
Public Works	6,135,359	7,206,710	9,830,460	7,577,994	5,682,998
Transportation	-	-	-	90,236	137,087
Subtotal governmental activities	<u>28,676,493</u>	<u>27,557,461</u>	<u>30,466,508</u>	<u>29,736,436</u>	<u>31,295,014</u>
Business-type activities:					
Refuse Disposal Fund	11,163,890	11,864,998	12,299,423	11,442,218	11,772,165
Municipal Bus -Transit	12,804,358	17,026,228	29,213,226	20,422,157	23,762,329
Sewer Enterprise Fund	9,079,094	8,640,221	7,875,277	8,143,127	9,000,616
Municipal Fiber Network	-	-	-	-	-
Subtotal business-type activities	<u>33,047,342</u>	<u>37,531,447</u>	<u>49,387,926</u>	<u>40,007,502</u>	<u>44,535,110</u>
Total primary government	<u>\$ 61,723,835</u>	<u>\$ 65,088,908</u>	<u>\$ 79,854,434</u>	<u>\$ 69,743,938</u>	<u>\$ 75,830,124</u>

City of Culver City
Program Revenues By Revenue Function (Continued)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2015	2016	2017	2018	2019
Function/Program					
Governmental activities:					
General government	\$ 4,195,371	\$ 4,860,813	\$ 3,865,385	\$ 6,609,126	\$ 7,708,839
Parks and recreation	3,247,541	3,272,059	3,381,557	3,792,927	4,037,386
Police	5,254,336	5,258,049	6,127,591	7,218,778	6,712,644
Fire	2,867,360	3,647,791	3,745,887	4,411,810	4,564,864
Community Development	9,174,202	13,009,788	12,256,628	16,714,423	14,686,222
Public Works	5,979,216	4,632,178	9,676,224	7,891,194	7,169,941
Transportation	200,850	148,269	159,414	403,363	16,285
Subtotal governmental activities	<u>30,918,876</u>	<u>34,828,947</u>	<u>39,212,686</u>	<u>47,041,621</u>	<u>44,896,181</u>
Business-type activities:					
Refuse Disposal Fund	11,796,339	12,604,319	13,086,289	14,760,456	16,039,981
Municipal Bus -Transit	20,344,349	20,923,156	30,654,802	23,524,754	23,402,059
Sewer Enterprise Fund	9,186,429	9,937,180	9,003,222	9,726,634	11,020,573
Municipal Fiber Network	-	-	-	-	35,655
Subtotal business-type activities	<u>41,327,117</u>	<u>43,464,655</u>	<u>52,744,313</u>	<u>48,011,844</u>	<u>50,498,268</u>
Total primary government	<u>\$ 72,245,993</u>	<u>\$ 78,293,602</u>	<u>\$ 91,956,999</u>	<u>\$ 95,053,465</u>	<u>\$ 95,394,449</u>

City of Culver City
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	2010	2011	2012	2013	2014
General Fund					
Reserved	\$ 7,650,079	\$ -	\$ -	\$ -	\$ -
Unreserved	31,243,558	-	-	-	-
Nonspendable	-	6,799,442	6,192,311	7,621,370	7,545,451
Restricted	-	-	-	-	-
Committed	-	-	-	-	30,189,148
Assigned	-	1,024,329	218,307	564,382	655,548
Unassigned	-	42,492,244	42,583,643	42,939,543	18,636,897
Total General Fund	\$ 38,893,637	\$ 50,316,015	\$ 48,994,261	\$ 51,125,295	\$ 57,027,044
All Other Governmental Funds					
Reserved	\$ 99,965,251	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:					
Special revenue funds-RDA	-	-	-	-	-
Capital projects funds-CITY	643,775	-	-	-	-
Capital projects funds-RDA	19,048,361	-	-	-	-
Debt service funds	-	-	-	-	-
Non-Major funds - Special revenue funds	5,320,918	-	-	-	-
Non-Major funds - Capital projects funds	785,882	-	-	-	-
Nonspendable	-	22,647	-	-	-
Restricted (includes COOP)	-	158,468,133	128,661,077	95,927,506	95,919,140
Committed	-	-	-	-	-
Assigned	-	4,893,096	4,872,542	3,939,545	4,171,163
Unassigned	-	(7,359,168)	(1,357,834)	(332,930)	(1,787,933)
Total all other Governmental Funds	\$ 125,764,187	\$ 156,024,708	\$ 132,175,785	\$ 99,534,121	\$ 98,302,370

Note: This schedule has been modified pursuant to GASB Statement No. 54 which establishes the following classifications (effective FY2011) : nonspendable, restricted, committed, assigned and unassigned.

City of Culver City
Fund Balances, Governmental Funds (Continued)
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	2015	2016	2017	2018	2019
General Fund					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-
Nonspendable	8,797,076	18,651,241	14,390,734	14,262,847	15,246,847
Restricted	-	-	-	-	10,602,535
Committed	34,909,456	37,778,333	40,472,141	44,250,119	48,905,672
Assigned	100,659	225,888	98,046	121,839	102,866
Unassigned (deficit)	36,885,749	25,422,152	22,009,527	22,127,231	20,709,758
Total General Fund	<u>\$ 80,692,940</u>	<u>\$ 82,077,614</u>	<u>\$ 76,970,448</u>	<u>\$ 80,762,036</u>	<u>\$ 95,567,678</u>
All Other Governmental Funds					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:					
Special revenue funds-RDA	-	-	-	-	-
Capital projects funds-CITY	-	-	-	-	-
Capital projects funds-RDA	-	-	-	-	-
Debt service funds	-	-	-	-	-
Non-Major funds - Special revenue funds	-	-	-	-	-
Non-Major funds - Capital projects funds	-	-	-	-	-
Nonspendable	-	-	29,508,555	-	-
Restricted (includes COOP)	80,663,848	81,872,220	63,126,537	76,659,696	70,657,761
Committed	-	14,114,312	13,543,461	16,488,882	20,467,461
Assigned	5,201,207	-	-	-	-
Unassigned (deficit)	(2,639,282)	(2,116,848)	(4,338,625)	(1,500,668)	(2,047,587)
Total all other Governmental Funds	<u>\$ 83,225,773</u>	<u>\$ 93,869,684</u>	<u>\$ 101,839,928</u>	<u>\$ 91,647,910</u>	<u>\$ 89,077,635</u>

Note: This schedule has been modified pursuant to GASB Statement No. 54 which establishes the following classifications (effective FY2011) : nonspendable, restricted, committed, assigned and unassigned.

City of Culver City
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	2010	2011	2012	2013	2014
Revenues					
Taxes	\$ 78,988,490	\$ 87,269,063	\$ 69,084,039	\$ 60,044,744	\$ 68,741,259
Licenses and permits	12,247,774	2,244,791	2,959,552	3,040,943	4,664,551
Fines and forfeitures	4,413,473	4,618,928	3,107,415	3,574,853	4,174,721
Investment income	3,387,362	1,236,516	1,168,004	2,852,792	3,451,821
Intergovernmental	9,084,949	12,021,397	17,639,544	11,926,258	10,453,476
Charges for services	11,817,763	11,143,637	11,331,314	10,063,004	11,937,412
Sale of Land for resale	-	14,110,004	285,956	-	-
Other revenues	1,313,896	941,644	1,514,011	1,323,474	695,241
Total revenues	<u>121,253,707</u>	<u>133,585,980</u>	<u>107,089,835</u>	<u>92,826,068</u>	<u>104,118,481</u>
Expenditures					
General government	5,827,231	4,396,978	7,493,714	11,905,828	12,190,249
Parks, recreation and community services	6,258,099	6,893,761	6,682,893	6,762,595	7,178,243
Police	29,102,527	28,345,389	28,233,992	29,478,847	32,912,122
Fire	15,724,439	15,400,698	16,588,046	17,199,564	18,121,240
Community development	18,233,549	33,299,639	28,262,728	9,135,006	9,481,641
Public works & Transportation	12,440,176	10,591,242	9,880,269	9,638,661	10,002,080
Capital outlay	7,013,846	7,459,015	13,962,974	5,551,098	5,620,204
Debt service					
Debt issuance costs	-	692,083	-	-	-
Principal payment	8,115,236	6,897,948	7,257,273	278,416	296,605
Interest and fiscal charges	8,026,395	7,411,970	5,275,844	74,649	47,962
SERAF payments	10,946,277	2,253,645	-	-	-
Pass-through payments	5,548,474	7,177,761	-	-	-
Payment of refunding bond escrow - prior issue	-	-	-	-	-
Total expenditures	<u>127,236,249</u>	<u>130,820,129</u>	<u>123,637,733</u>	<u>90,024,664</u>	<u>95,850,346</u>
Excess of revenues over (under) expenditures	<u>(5,982,542)</u>	<u>2,765,851</u>	<u>(16,547,898)</u>	<u>2,801,404</u>	<u>8,268,135</u>
Other Financing Sources (Uses)					
Transfers in	25,957,103	33,938,808	18,698,313	3,193,169	3,474,210
Transfers out	(26,022,142)	(33,587,755)	(18,928,680)	(3,491,610)	(4,399,648)
Other financing sources					
Long-term debt issued	-	47,412,887	-	-	-
Payment to refunded bond escrow - current issue	-	-	-	-	-
Original issue premium (discount)	-	(642,847)	-	-	-
Total other financing sources (uses)	<u>(65,039)</u>	<u>47,121,093</u>	<u>(230,367)</u>	<u>(298,441)</u>	<u>(925,438)</u>
Extraordinary Items - Gain (loss) on transfer of assets and liabilities to RDA successor trust funds	-	-	(8,459,809)	-	-
Special Items					
Net change in fund balances	<u>\$ (6,047,581)</u>	<u>\$ 49,886,944</u>	<u>\$ (25,238,074)</u>	<u>\$ 2,502,963</u>	<u>\$ 7,342,697</u>
Debt service as a percentage of noncapital expenditures (a)	15.5%	12.6%	11.0%	0.4%	0.4%

Note:

(a) Debt service as a percent of noncapital expenditures is restated as follows: The amount of capital outlay used to calculate the ratio of total debt service expenditures to noncapital expenditures is the same as the reconciling item for capital outlay in the reconciliation between the government-wide statement of activities and the statement of revenues, expenditures, and changes in fund balance. Also only the principal and interest components of debt service expenditures are used in the calculation of the ratio of total debt service expenditures to noncapital expenditures.

City of Culver City
Changes in Fund Balances, Governmental Funds (Continued)
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	2015	2016	2017	2018	2019
Revenues					
Taxes	\$ 75,200,587	\$ 78,337,955	\$ 78,093,238	83,166,967	\$ 85,689,848
Licenses and permits	4,301,740	5,088,964	4,910,124	8,174,187	8,734,454
Fines and forfeitures	4,104,462	4,323,432	5,080,610	5,822,781	5,468,942
Investment income	2,958,972	2,315,628	1,827,323	2,198,158	5,433,125
Intergovernmental	11,932,021	11,641,261	13,531,055	16,672,290	13,898,876
Charges for services	12,589,262	15,994,025	16,461,731	21,358,952	19,366,008
Sale of Land for resale	-	-	-	-	-
Other revenues	<u>15,215,908</u>	<u>1,488,349</u>	<u>652,582</u>	<u>955,418</u>	<u>1,772,685</u>
Total revenues	<u>126,302,952</u>	<u>119,189,614</u>	<u>120,556,663</u>	<u>138,348,753</u>	<u>140,363,938</u>
Expenditures					
General government	16,881,178	13,210,888	14,502,021	25,402,021	17,005,110
Parks, recreation and community services	7,736,234	7,761,720	8,273,036	9,153,817	9,838,098
Police	32,784,324	34,305,688	37,924,974	40,012,677	42,308,470
Fire	19,097,947	21,531,923	22,677,676	23,407,204	25,121,591
Community development	9,825,125	13,415,458	24,163,346	12,144,088	12,866,296
Public works & Transportation	10,349,275	11,526,943	11,562,147	12,202,528	13,544,167
Capital outlay	6,260,467	7,426,995	12,945,681	21,275,738	15,971,997
Debt service					
Debt issuance costs	-	-	-	-	-
Principal payment	335,510	-	-	-	-
Interest and fiscal charges	11,520	-	-	-	-
SERAF payments	-	-	-	-	-
Pass-through payments	-	-	-	-	-
Payment of refunding bond escrow - prior issue	-	-	-	-	-
Total expenditures	<u>103,281,580</u>	<u>109,179,615</u>	<u>132,048,881</u>	<u>143,598,073</u>	<u>136,655,729</u>
Excess of revenues over (under) expenditures	<u>23,021,372</u>	<u>10,009,999</u>	<u>(11,492,218)</u>	<u>(5,249,320)</u>	<u>3,708,209</u>
Other Financing Sources (Uses)					
Transfers in	5,322,403	15,769,002	11,434,526	38,487,071	5,832,085
Transfers out	(6,546,760)	(16,061,216)	(12,528,389)	(39,638,181)	(7,304,927)
Other financing sources		2,310,800	-	-	-
Long-term debt issued	-	-	-	-	-
Payment to refunded bond escrow - current issue	-	-	-	-	-
Original issue premium (discount)	-	-	-	-	-
Total other financing sources (uses)	<u>(1,224,357)</u>	<u>2,018,586</u>	<u>(1,093,863)</u>	<u>(1,151,110)</u>	<u>(1,472,842)</u>
Extraordinary Items - Gain (loss) on transfer of assets and liabilities to RDA successor trust funds	-	-	-		
Special Items	(12,541,852)	-	11,599,118	-	-
Net change in fund balances	<u>\$ 9,255,163</u>	<u>\$ 12,028,585</u>	<u>\$ (986,963)</u>	<u>\$ (6,400,430)</u>	<u>\$ 2,235,367</u>
Debt service as a percentage of noncapital expenditures (a)	0.3%	0.0%	0.0%	0.0%	0.0%

Note:

(a) Debt service as a percent of noncapital expenditures is restated as follows: The amount of capital outlay used to calculate the ratio of total debt service expenditures to noncapital expenditures is the same as the reconciling item for capital outlay in the reconciliation between the government-wide statement of activities and the statement of revenues, expenditures, and changes in fund balance. Also only the principal and interest components of debt service expenditures are used in the calculation of the ratio of total debt service expenditures to noncapital expenditures.

City of Culver City
Tax Revenues by Source
Governmental Funds
(Modified Accrual Basis of Accounting)

Fiscal Year	<u>Property Tax</u>	<u>Sales Tax</u>	<u>Utility Users Tax</u>	<u>Other Tax</u>	<u>Licenses, Permits</u>	<u>Fines, Forfeitures, Penalties</u>
2010	25,751,846	14,314,156	14,142,799	24,779,689	12,247,774	4,413,473
2011	39,842,728	16,192,369	14,489,841	16,744,125	2,244,791	4,618,928
2012	22,211,508	16,970,122	14,363,708	15,538,701	2,959,552	3,107,415
2013	8,674,103	19,791,627	14,518,808	17,060,206	3,040,943	3,574,853
2014	7,308,615	27,692,291	14,839,873	18,900,480	4,664,551	4,174,721
2015	10,009,164	28,284,352	14,774,331	22,132,740	4,301,740	4,104,462
2016	10,627,556	30,172,506	14,544,069	22,993,824	5,088,964	4,323,432
2017	11,011,319	29,997,495	14,104,504	22,979,920	4,910,124	5,080,610
2018	13,790,871	31,162,345	13,970,775	24,242,976	8,174,187	5,822,781
2019	13,488,817	32,402,882	13,173,647	26,624,502	8,734,454	5,468,942

City of Culver City
Tax Revenues by Source (Continued)
Governmental Funds
(Modified Accrual Basis of Accounting)

Fiscal Year	Use of Money, Property	Revenue from other Agencies	Charges for Services	Sale of Property	Other	Total
2010	3,387,362	9,084,949	11,817,763	-	1,313,896	121,253,707
2011	1,236,516	12,021,397	11,143,637	14,110,004	941,644	133,585,980
2012	1,168,004	17,639,544	11,331,314	285,956	1,514,011	107,089,835
2013	2,852,792	11,926,258	10,063,004	-	1,323,474	92,826,068
2014	3,451,821	10,453,476	11,937,412	-	695,241	104,118,481
2015	2,958,972	11,932,021	12,589,262	14,214,806	1,001,102	126,302,952
2016	2,315,628	11,641,261	15,994,025	-	1,488,349	119,189,614
2017	1,827,323	13,531,055	16,461,731	-	652,582	120,556,663
2018	2,198,158	16,672,290	21,358,952	-	955,418	138,348,753
2019	5,433,125	13,898,876	19,366,008	-	1,772,685	140,363,938

City of Culver City
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Secured Property	Nonunitary Utilities	Unsecured Property	Net (a) Total Taxable Assessed Value	Total Direct Tax % Rate (b)
2010	6,841,403,883	384,975	446,470,232	7,288,259,090	0.546%
2011	6,760,932,194	384,975	405,656,855	7,166,974,024	0.538%
2012	6,943,479,065	384,975	454,552,366	7,398,416,406	0.544%
2013	7,079,607,625	384,975	423,766,963	7,503,759,563	0.543%
2014	7,606,284,627	384,975	454,513,567	8,061,183,169	0.095%
2015	8,005,172,894	384,975	456,369,172	8,461,927,041	0.095%
2016	8,449,411,432	606,355	454,726,389	8,904,744,176	0.096%
2017	9,156,963,717	606,355	544,833,320	9,702,403,392	0.096%
2018	9,750,572,579	606,355	578,532,418	10,329,711,352	0.095%
2019	10,423,299,210	606,355	617,105,418	11,041,010,983	0.094%

Source: HdL Coren & Cone

Note:

(a) Exemptions are netted directly against the individual property categories.

(b) Total Direct Rate is the weighted average of all individual direct rates applied by the government preparing the statistical section information.

In 1978 the voters of the State of California passed Proposition 13 which limited taxes to a total maximum rate of 1%, based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum of 2%). With few exceptions, property is only reassessed as a result of new construction activity or at the time it is sold to a new owner. At that point, the property is reassessed based upon the added value of the construction or at the purchase price (market value) or economic value of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

City of Culver City
Direct and Overlapping Property Tax Rates
(Rate per \$100 of Assessed Values)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
City's Share of 1% Levy Per Prop 13 (a)	0.1043	0.1043	0.1043	0.1043	0.1043	0.1043	0.1043	0.1043	0.1043	0.1043
Redevelopment Rate	1.0043	1.0037	1.0037	-	-	-	-	-	-	-
Total Direct Tax Rate (b)	0.5458	0.5378	0.5444	0.5426	0.0946	0.0952	0.0957	0.0962	0.0950	0.0974
Direct & Overlapping Rates										
Basic Levy (c):										
City's Share of 1% Levy Per Prop 13	0.1043	0.1043	0.1043	0.1043	0.1043	0.1043	0.1043	0.1043	0.1043	0.1043
Los Angeles County General	0.3471	0.3471	0.3471	0.3471	0.3471	0.3471	0.3471	0.3471	0.3471	0.3471
Culver City Unified School District	0.2328	0.2328	0.2328	0.2328	0.2328	0.2328	0.2328	0.2328	0.2328	0.2328
Educational Augmentation Fund Impound	0.1584	0.1584	0.1584	0.1584	0.1584	0.1584	0.1584	0.1584	0.1584	0.1584
Educational Revenue Augmentation Fund	0.0641	0.0641	0.0641	0.0641	0.0641	0.0641	0.0641	0.0641	0.0641	0.0641
Los Angeles Community College District	0.0320	0.0320	0.0320	0.0320	0.0320	0.0320	0.0320	0.0320	0.0320	0.0320
Los Angeles County Library	0.0251	0.0251	0.0251	0.0251	0.0251	0.0251	0.0251	0.0251	0.0251	0.0251
County Flood Control Maintenance	0.0107	0.0107	0.0107	0.0107	0.0107	0.0107	0.0107	0.0107	0.0107	0.0107
County School Services Fund	0.0088	0.0088	0.0088	0.0088	0.0088	0.0088	0.0088	0.0088	0.0088	0.0088
County Fire - FFW	0.0080	0.0080	0.0080	0.0080	0.0080	0.0080	0.0080	0.0080	0.0080	0.0080
Children's Institutional Tuition Fund	0.0030	0.0030	0.0030	0.0030	0.0030	0.0030	0.0030	0.0030	0.0030	0.0030
Co. Flood Control District Imp Dist. Maint	0.0019	0.0019	0.0019	0.0019	0.0019	0.0019	0.0019	0.0019	0.0019	0.0019
County School Services Fund	0.0015	0.0015	0.0015	0.0015	0.0015	0.0015	0.0015	0.0015	0.0015	0.0015
Development Center Handicapped Minors	0.0010	0.0010	0.0010	0.0010	0.0010	0.0010	0.0010	0.0010	0.0010	0.0010
Culver City Children's Center Fund	0.0006	0.0006	0.0006	0.0006	0.0006	0.0006	0.0006	0.0006	0.0006	0.0006
LA Community College Children's Cntr Fund	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003
LA Co West Vector Control Dist.	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003
Co. Accumulative Capital Outlay	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001
Basic Levy	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
County Detention Facilities 1987 Debt	-	-	-	-	-	-	-	-	-	-
Culver City Unified	0.0344	0.0375	0.0352	0.0361	0.0314	0.0778	0.0717	0.0663	0.0649	0.0644
El Camino community college	0.0149	0.0161	0.0169	0.0185	0.0175	0.0174	0.0175	0.0229	0.0212	0.0222
Inglewood Unified School District	0.1130	0.1145	0.1128	0.1214	0.1561	0.1499	0.1276	0.1135	0.1168	0.1308
La Ccd Ds 2008 2012 Series F	-	-	-	0.0112	-	-	-	-	-	-
La Community college District	0.0231	0.0403	0.0353	0.0376	0.0445	0.0402	0.0358	0.0360	0.0460	0.0462
La County Flood Control	-	-	-	-	-	-	-	-	-	-
Los Angeles Unified School District	0.1518	0.1870	0.1682	0.1756	0.1464	0.1469	0.1297	0.1311	0.1222	0.1232
Metropolitan Water District	0.0043	0.0037	0.0037	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035
Total Direct & Overlapping (d) Tax Rates	1.3415	1.3991	1.3721	1.4039	1.3994	1.4357	1.3857	1.3733	1.3746	1.3904

Source: HdL Coren & Cone

Notes:

- (a) City's share of 1% Levy is based on the City's share of the general fund tax rate area with the largest net taxable value within the City.
- (b) Total Direct Rate is the weighted average of all individual direct rates applied by the government preparing the statistical section information
- (c) In 1978, California voters passed Proposition 13 which sets the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within.
- (d) Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all city property owners.

**City of Culver City
Principal Property Taxpayers
Current Year and Nine Years Ago**

Taxpayer	2019			2010		
	Net Taxable Assessed		Percentage of Total Taxable Assessed	Net Taxable Assessed		Percentage of Total Taxable Assessed
	Value	Rank	Value	Value	Rank	Value
Total Net Assessed Value	\$ 11,041,010,983		100.00%	\$ 7,288,259,090		100.00%
Lot, Inc.	\$ 333,892,744	1	3.02%	\$ 268,330,816	1	3.68%
Fox Hills Mall LLC/Westfield	219,716,233	2	1.99%	72,190,120	8	0.99%
LBA RV Company IX LP	167,946,309	3	1.52%			
Reep Ofc Corporate Pointe CA LLC	136,552,500	4	1.24%			
Symantec Corporation	132,603,075	5	1.20%	101,012,639	3	1.39%
Sony Pictures Entertainment Inc.	126,417,328	6	1.14%	82,009,852	7	1.13%
Equity One Culver LLC	120,834,337	7	1.09%			
Higuera Office LLC	114,076,735	8	1.03%			
Culver Studios Owner LLC	83,727,531	9	0.76%			
Costco Wholesale Corporation	83,588,469	10	0.76%			
Transwestern Corporate Pointe LLC				123,439,905	2	1.69%
TCE Filmland Holdings LLC				90,708,597	5	1.24%
PCCP Studio City Los Angeles				83,363,443	6	1.14%
LEGACY III Culver City LLC				100,980,000	4	1.39%
Sy Culver City Portfolio Limited Partnership				72,002,302	9	0.99%
Culver Center Partners East 1 LP				57,386,314	10	0.79%
Total	\$ 1,519,355,261		13.76%	\$ 1,051,423,988		14.43%

Source: Los Angeles County Assessor 2018/19 Combined Tax Rolls

City of Culver City
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year (a)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount (b)	Percentage of Levy
2010	3,433,577	3,251,758	94.7%	176,527	3,428,285	99.8%
2011	3,443,042	2,927,218	85.0%	378,394	3,305,612	96.0%
2012	3,501,754	3,228,955	92.2%	211,908	3,440,863	98.3%
2013	3,567,169	3,279,095	91.9%	257,919	3,537,014	99.2%
2014	3,728,144	3,615,637	97.0%	83,828	3,699,465	99.2%
2015	3,967,342	3,927,081	99.0%	24,676	3,951,757	99.6%
2016	4,206,744	4,077,754	96.9%	76,381	4,154,135	98.7%
2017	4,502,642	4,351,205	96.6%	135,489	4,486,694	99.6%
2018	4,819,004	4,760,227	98.8%	32,365	4,792,592	99.5%
2019	5,034,210	4,868,637	96.7%	132,427	5,001,064	99.3%

Source: HdL Coren & Cone, Los Angeles County Assessor

Notes:

- (a) Prior year data has been revised to include Base Year Revenue. The amount of each year's levy does not include Increment Revenue or Debt Revenue of the Redevelopment Agency. The Redevelopment Agency is not a blended component unit of the City due to AB 1x 26 - Redevelopment Agencies Dissolution effective February 1, 2012.
- (b) Starting FY2008, penalty charges are excluded in total collections to date and delinquent taxes are reported by levy year rather than by collection year.
- (c) The decrease in percentage collected is the result of the State partial shift of financial responsibility for education funding to local governments by allocating local property tax revenues to Education Revenue Augmentation Fund (ERAF) directing that these local agency property taxes be deposited into funds to support schools.

City of Culver City Ratios of Outstanding Debt by Type Last Ten Fiscal Years

Fiscal Year	Governmental Activities				Business-Type Activities				Total Primary Government	Percentage of Personal Income (b)	Debt Per Capita (b)
	Redevelopment Bonds	Capital Leases	Loans	Total Governmental Activities	Wastewater Revenue Bonds	Certificates of Participation	Capital Leases	Total Business-Type Activities			
2010	149,905,000	-	1,420,752	151,325,752	20,085,000	3,990,000	-	24,075,000	175,400,752	11.9%	4,330
2011	190,667,887	-	1,172,804	191,840,691	19,495,000	3,415,000	-	22,910,000	214,750,691	13.7%	5,274
2012	-	-	910,531	910,531	18,795,000	2,805,000	-	21,600,000	22,510,531	1.4%	577
2013	-	-	632,115	632,115	18,075,000	2,160,000	-	20,235,000	20,867,115	1.3%	532
2014	-	-	335,510	335,510	17,335,000	1,480,000	-	18,815,000	19,150,510	1.1%	484
2015	-	-	-	-	16,575,000	760,000	-	17,335,000	17,335,000	1.0%	438
2016	-	-	-	-	15,785,000	-	-	15,785,000	15,785,000	0.9%	390
2017	-	-	-	-	14,970,000	-	-	14,970,000	14,970,000	0.8%	373
2018	-	-	-	-	14,120,000	-	-	14,120,000	14,120,000	0.8%	354
2019	-	-	-	-	13,235,000	-	-	13,235,000	13,235,000	0.7%	329

Notes: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

For the 10 years ending June 30, 2019, the City had no General Obligation Bonds.

(a) Due to the dissolution of the Culver City Redevelopment Agency (CCRA) on February 1, 2012, all of the CCRA's debt has been moved to the Successor Agency (Fiduciary Fund)

(b) See Demographic and Economic Statistics for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

City of Culver City
Direct and Overlapping Governmental Activities Debt
As of June 30, 2019

City Assessed Valuation	\$ 5,333,780,201
Successor Agency Incremental Valuation	<u>5,707,230,782</u>
Total Net Taxable Assessed Valuation	<u><u>\$ 11,041,010,983</u></u>

	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Overlapping Debt Repaid with Voter-Approved Property Taxes:			
Los Angeles County	\$ -		\$ -
Los Angeles County Flood Control District	-		-
Metropolitan Water District	23,317,224	0.439%	102,267
El Camino College District	420,200,103	0.004%	17,303
Los Angeles Community College District	3,930,390,000	1.298%	51,000,788
Culver City Unified School District	120,265,000	99.588%	119,770,004
Inglewood Unified School District	124,745,000	0.042%	52,124
Los Angeles Unified School District	10,079,120,000	0.008%	<u>759,468</u>
Subtotal, overlapping debt		3.22%	171,701,954
City direct debt		0.00%	<u>-</u>
Total direct and overlapping debt		3.22%	<u><u>\$ 171,701,954</u></u>

Source: HdL Coren & Cone, Los Angeles County Assessor 2018/2019 Combined Lien Date Tax Rolls

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Culver City. This process recognizes that, when considering the city's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident—and therefore responsible for repaying the debt—of each overlapping government. The overlapping debt represents 3.22% of the City's 2018/2019 assessed valuation or \$ 171.70 million.

**City of Culver City
Legal Debt Margin Information
Last Ten Fiscal Years**

	2010	2011	2012	2013	2014
Total assessed valuation	\$ 7,527,054,000	\$ 7,417,771,754	\$ 7,652,983,856	\$ 7,752,446,647	\$ 8,323,791,063
Debt Limit percentage	15%	15%	15%	15%	15%
Debt Limit	\$ 1,129,058,100	\$ 1,112,665,763	\$ 1,147,947,578	\$ 1,162,866,997	\$ 1,248,568,659
Amount of debt applicable to the limit:	\$ -	\$ -	\$ -	\$ -	\$ -
Legal Debt Margin	<u>\$ 1,129,058,100</u>	<u>\$ 1,112,665,763</u>	<u>\$ 1,147,947,578</u>	<u>\$ 1,162,866,997</u>	<u>\$ 1,248,568,659</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%

Note: In accordance with California Government Code, total general obligation bonds outstanding cannot exceed 15 percent of total assessed valuation. **For the 10 years ended June 30, 2019, the City was not obligated in any manner for general obligation bonds.**

City of Culver City
Legal Debt Margin Information (Continued)
Last Ten Fiscal Years

	2015	2016	2017	2018	2019
Total assessed valuation	\$ 8,732,804,582	\$ 9,169,218,845	\$9,949,044,594	\$ 10,555,362,319	11,323,006,988
Debt Limit percentage	15%	15%	15%	15%	15%
Debt Limit	\$ 1,309,920,687	\$ 1,375,382,827	\$ 1,492,356,689	\$ 1,583,304,348	\$ 1,698,451,048
Amount of debt applicable to the limit:	\$ -	\$ -	\$ -	\$ -	\$ -
Legal Debt Margin	<u>\$ 1,309,920,687</u>	<u>\$ 1,375,382,827</u>	<u>\$ 1,492,356,689</u>	<u>\$ 1,583,304,348</u>	<u>\$ 1,698,451,048</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%

Note: In accordance with California Government Code, total general obligation bonds outstanding cannot exceed 15 percent of total assessed valuation. **For the 10 years ended June 30, 2019, the City was not obligated in any manner for general obligation bonds.**

City of Culver City Pledge-Revenue Coverage Last Ten Fiscal Years

Fiscal Year	Wastewater Facilities Revenue Bonds (b)							Tax Allocation Bonds			
	Utility	Interest	Less:	Net	Debt Service			Tax Increment	Debt Service		
	Service	Earnings	Operating	Available	Principal	Interest	Coverage	Collections	Principal	Interest	Coverage
	Charges	(a)	Expenses	Revenue							
2010	9,079,094	823,493	5,596,721	4,305,866	560,000	1,134,456	2.54	37,250,000	6,330,000	7,482,511	2.70
2011	8,638,408	171,951	5,392,430	3,417,929	590,000	910,200	2.28	36,321,000	6,650,000	7,151,937	2.63
2012	7,863,788	135,302	5,280,044	2,719,046	700,000	895,550	1.70	16,254,000 (c)	6,995,000	5,168,751	1.34
2013	8,087,378	15,288	4,870,305	3,232,361	720,000	876,000	2.03	-	-	-	-
2014	8,955,665	182,820	6,908,976	2,229,509	740,000	854,100	1.40	-	-	-	-
2015	9,148,771	143,890	7,305,113	1,987,548	760,000	830,650	1.25	-	-	-	-
2016	9,899,422	157,496	7,432,671	2,624,247	790,000	804,475	1.65	-	-	-	-
2017	8,966,730	53,257	6,524,897	2,495,090	815,000	773,431	1.57	-	-	-	-
2018	9,722,970	92,353	5,762,856	4,052,467	850,000	739,213	2.55	-	-	-	-
2019	11,019,497	524,297	7,255,209	4,288,585	885,000	700,650	2.70	-	-	-	-

Notes: Details regarding the city's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest expense, depreciation, or amortization expenses.

(a) Per the Wastewater Facilities Revenue Bond covenant, interest earnings are included when computing net available revenue for bond compliance purposes.

(b) The 1999 Wastewater Facilities Revenue Bonds were issued on December 8, 1999. The 1999 Bonds were defeased and replaced by the 2009 Bonds issued on July 21, 2009.

(c) Due to the dissolution of the Culver City Redevelopment Agency (CCRA) on February 1, 2012, Tax Increment collections are through January 31, 2012.

City of Culver City
Demographic and Economic Statistics
Last Ten Calendar Years

Calendar Year	Population	Personal Income <i>(thousands of dollars)</i>	Per Capita Personal Income	Unemployment Rate
2009	40,507	1,479,760	36,531	8.0%
2010	40,722	1,565,191	38,436	8.7%
2011	39,004	1,573,382	40,339	8.5%
2012	39,210	1,666,111	42,492	6.3%
2013	39,579	1,710,881	43,227	5.2%
2014	39,597	1,759,809	44,443	6.1%
2015	40,448	1,802,070	44,552	4.9%
2016	40,103	1,835,056	45,758	3.8%
2017	39,860	1,849,593	46,402	3.3%
2018	40,173	1,942,963	48,364	4.4%

Source: HDL 2018-19 CAFR Statistical Basic Package for City of Culver City

**City of Culver City
Principal Employers
Last Ten Fiscal Years**

Employer	2010			2011		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Sony Pictures Entertainment	6,000	1	15.13%	6,000	1	15.13%
Westfield Shoppingtown-Fox Hills						
Goldrich & Kest Industries, LLC	1,100	2	2.77%	1,100	2	2.77%
Southern CA Hospital (Brontman Medical Ctr)	860	4	2.17%	860	4	2.17%
Culver City Unified School District	1,084	3	2.73%	1,084	3	2.73%
Symantec						
City of Culver City	700	5	1.77%	650	5	1.64%
Metric Products						
Radisson Hotel						
Kaiser Permanente						
Security Industry Specialists	400	6	1.01%	400	6	1.01%
West Los Angeles College						
NFL Media						
Target	400	7	1.01%	400	7	1.01%
Inovel	300	8	0.76%	300	8	0.76%
Karl Storz Endoscopy	300	9	0.76%	300	9	0.76%
Kayne-Eras Center	300	10	0.76%	300	10	0.76%
Moldex-Metric						
JC Penny						
Beats by Dre/Apple, Inc.						
Total Top 10 Employers	<u>11,444</u>		<u>28.86%</u>	<u>11,394</u>		<u>28.74%</u>
Total City Labor Force (1)	<u><u>39,651</u></u>			<u><u>39,651</u></u>		

Source: Finance Department

**City of Culver City
Principal Employers (Continued)
Last Ten Fiscal Years**

Employer	2012			2013		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Sony Pictures Entertainment	6,000	1	26.55%	6,000	1	25.75%
Westfield Shoppingtown-Fox Hills						
Goldrich & Kest Industries, LLC	1,100	2	4.87%	1,100	2	4.72%
Southern CA Hospital (Brontman Medical Ctr)	860	4	3.81%	860	4	3.69%
Culver City Unified School District	1,084	3	4.80%	1,084	3	4.65%
Symantec				800	5	3.43%
City of Culver City	644	5	2.85%	638	6	2.74%
Metric Products						
Radisson Hotel						
Kaiser Permanente						
Security Industry Specialists	400	6	1.77%	400	7	1.72%
West Los Angeles College						
NFL Media						
Target	400	7	1.77%	400	8	1.72%
Inovel						
Karl Storz Endoscopy						
Kayne-Eras Center	300	8	1.33%	300	9	1.29%
Moldex-Metric	300	9	1.33%	300	10	1.29%
JC Penny	274	10	1.21%			
Beats by Dre/Apple, Inc.						
Total Top 10 Employers	<u>11,362</u>		<u>50.27%</u>	<u>11,882</u>		<u>51.00%</u>
Total City Labor Force (1)	<u>22,600</u>			<u>23,300</u>		

Source: Finance Department

**City of Culver City
Principal Employers (Continued)
Last Ten Fiscal Years**

Employer	2014			2015		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Sony Pictures Entertainment	3,200	1	12.90%	3,200	1	12.92%
Westfield Shoppingtown-Fox Hills						
Goldrich & Kest Industries, LLC	717	6	2.89%	717	6	2.90%
Southern CA Hospital (Brontman Medical Ctr)	1,000	2	4.03%	1,000	2	4.04%
Culver City Unified School District	771	4	3.11%	771	4	3.11%
Symantec	900	3	3.63%	900	3	3.63%
City of Culver City	760	5	3.06%	767	5	3.10%
Metric Products						
Radisson Hotel						
Kaiser Permanente						
Security Industry Specialists						
West Los Angeles College	575	7	2.32%	575	7	2.32%
NFL Media	500	8	2.02%	500	8	2.02%
Target	475	9	1.92%	475	9	1.92%
Inovel						
Karl Storz Endoscopy						
Kayne-Eras Center						
Moldex-Metric						
JC Penny						
Beats by Dre/Apple, Inc.	450	10	1.81%	411	10	1.66%
Total Top 10 Employers	<u>8,898</u>		<u>37.69%</u>	<u>9,316</u>		<u>37.62%</u>
Total City Labor Force (1)	<u>24,800</u>			<u>24,761</u>		

Source: Finance Department

**City of Culver City
Principal Employers (Continued)
Last Ten Fiscal Years**

Employer	2016			2017		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Sony Pictures Entertainment	3,400	1	14.98%	3,000	1	12.24%
Westfield Shoppingtown-Fox Hills				1,500	2	6.12%
Goldrich & Kest Industries, LLC	717	6	3.16%	700	5	2.86%
Southern CA Hospital (Brontman Medical Ctr)	1,167	2	5.14%	720	4	2.94%
Culver City Unified School District	760	4	3.35%	760	3	3.10%
Symantec	700	5	3.08%	700	5	2.86%
City of Culver City	871	3	3.84%	650	6	2.65%
Metric Products						
Radisson Hotel						
Kaiser Permanente						
Security Industry Specialists						
West Los Angeles College	600	7	2.64%	600	7	2.45%
NFL Media	525	8	2.31%	525	9	2.14%
Target	575	9	2.53%	575	8	2.35%
Inovel						
Karl Storz Endoscopy						
Kayne-Eras Center						
Moldex-Metric						
JC Penny						
Beats by Dre/Apple, Inc.	460	10	2.03%	500	10	2.04%
Total Top 10 Employers	<u>9,775</u>		<u>43.06%</u>	<u>10,230</u>		<u>41.76%</u>
Total City Labor Force (1)	<u>22,700</u>			<u>24,500</u>		

Source: Finance Department

**City of Culver City
Principal Employers (Continued)
Last Ten Fiscal Years**

Employer	2018			2019		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Sony Pictures Entertainment	3,000	1	11.66%	3,563	1	14.43%
Westfield Shoppingtown-Fox Hills	1,550	2	6.03%	1,539	2	6.23%
Goldrich & Kest Industries, LLC	675	6	2.62%	675	7	2.73%
Southern CA Hospital (Brontman Medical Ctr)	730	5	2.84%	1,121	3	4.54%
Culver City Unified School District	750	4	2.92%	870	4	3.52%
Symantec	550	9	2.14%			
City of Culver City	800	3	3.11%	823	6	3.33%
Metric Products				11	10	0.04%
Radisson Hotel /Doubletree				145	9	0.59%
Kaiser Permanente						
Security Industry Specialists						
West Los Angeles College	625	7	2.43%	833	5	3.37%
NFL Media	515	10	2.00%			
Target	590	8	2.29%	531	7	2.15%
Inovel						
Karl Storz Endoscopy						
Kayne-Eras Center						
Moldex-Metric				360	8	1.46%
JC Penny						
Beats by Dre/Apple, Inc.	490		1.90%			
Total Top 10 Employers	<u>10,275</u>		<u>39.94%</u>	<u>10,471</u>		<u>42.42%</u>
Total City Labor Force (1)	<u><u>25,725</u></u>			<u><u>24,686</u></u>		

Source: Finance Department

City of Culver City
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

<u>Function/Program</u>	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General government	82	71	68	68	68	69	68	75	73	74
Parks, recreation and community services	38	30	30	31	31	31	31	32	33	33
Police	166	156	153	156	157	157	160	162	150	150
Fire	73	70	69	71	69	71	72	72	72	72
Community development	57	52	52	36	36	36	36	37	39	40
Public works	62	51	49	48	48	49	51	53	53	54
Grants operating	10	10	9	7	6	6	6	7	7	8
Internal service	43	41	41	41	41	42	43	43	44	44
Refuse	48	40	40	40	40	41	42	46	46	50
Transit	120	120	122	129	129	151	152	153	155	157
Sewer	10	9	11	11	11	11	11	12	12	12
Total	<u>709</u>	<u>650</u>	<u>644</u>	<u>638</u>	<u>636</u>	<u>663</u>	<u>673</u>	<u>692</u>	<u>684</u>	<u>694</u>

Source: City Budget Office

Note: A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Full-time-equivalent employment is calculated by dividing total labor hours by 2,080.

City of Culver City
Operating Indicators by Function
Last Ten Fiscal Years

	2010	2011	2012	2013	2014
General government					
Building permits issued	2,356	2,400	2,240	2,488	2,336
Building inspections conducted	10,616	9,500	8,209	9,590	9,609
Police					
Arrestees Processed	1,700	1,400	1,372	1,491	1,611
Parking citations	40,100	36,000	30,705	37,236	37,681
Traffic citations	14,000	14,000	12,414	19,027	10,028
Fire					
Emergency responses	4,500	4,500	4,471	4,681	4,969
Fire Emergency Incidents	155	155	194	197	210
Commercial Fire Safety Inspections	2,369	2,400	2,106	2,653	2,742
Refuse collection					
Residential Refuse & Greenwaste collected (tons per day)	35	41	43	42	42
Commercial Refuse Collected (tons per day)	136	136	121	143	143
Responses to Customer Service Requests	200	200	200	120	120
Public Works					
Traffic Engineering Investigations	5,849	4,535	4,619	4,601	4,601
Tons of Asphalt Placed	725	700	300	325	325
Damaged Sidewalk removed/replaced (sq ft)	15,000	16,000	8,040	8,100	8,100
Trees Trimmed	5,850	5,850	3,172	3,200	3,200
Parks and recreation					
Park picnic permits issued	1,300	1,300	963	1,300	1,276
Participation in Youth Sports	5,000	5,000	3,500	5,345	5,328
Participation in Adults Sports	35,000	35,500	44,200	36,800	43,766
Transit - Municipal buses					
Total service miles	1,700,000	1,700,000	1,497,434	1,585,103	1,589,108
Passengers	6,430,000	6,630,000	5,331,071	5,550,045	5,416,010

Source: Annual Budgets and various city departments.

City of Culver City
Operating Indicators by Function (Continued)
Last Ten Fiscal Years

	2015	2016	2017	2018	2019
General government					
Building permits issued	2,756	3,029	2,930	2,954	3,023
Building inspections conducted	10,925	12,614	12,948	12,638	14,212
Police					
Arrestees Processed	1,239	1,242	1,166	2,513	1,986
Parking citations	38,681	40,009	36,961	41,038	39,081
Traffic citations	9,003	8,981	5,347	8,612	6,106
Fire					
Emergency responses	5,375	5,684	6,106	6,857	6,753
Fire Emergency Incidents	215	215	206	270	221
Commercial Fire Safety Inspections	2,810	2,800	3,032	2,929	2,825
Refuse collection					
Residential Refuse & Greenwaste collected (tons per day)	43	43	43	41	40
Commercial Refuse Collected (tons per day)	130	141	105	76	85
Responses to Customer Service Requests	120	120	150	150	88
Public Works					
Traffic Engineering Investigations	4,685	4,721	4,816	4,782	4,800
Tons of Asphalt Placed	230	207	555	85	128
Damaged Sidewalk removed/replaced (sq ft)	10,084	9,103	32,795	3,620	4,052
Trees Trimmed	4,958	4,350	3,938	3,106	3,517
Parks and recreation					
Park picnic permits issued	1,026	933	1,018	1,148	1,114
Participation in Youth Sports	4,950	4,480	10,984	32,333	34,021
Participation in Adults Sports	45,456	48,312	49,572	57,295	52,727
Transit - Municipal buses					
Total service miles	1,593,248	1,658,913	1,686,317	1,658,633	1,656,768
Passengers	4,979,334	5,653,192	5,070,970	4,864,138	4,600,876

Source: Annual Budgets and various city departments.

City of Culver City
Capital Asset Statistics by Function
Last Ten Fiscal Years

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	30	31	26	25	27	21	21	23	23	28
Motorcycle units	11	14	13	11	13	14	11	11	11	7
Detective Units	20	19	30	30	34	38	38	38	38	39
Parking Enforcement Units	7	8	8	8	8	9	8	8	8	11
Fire stations	3	3	3	3	3	3	3	3	3	3
Refuse collection										
Collection trucks	18	19	19	22	22	22	22	22	22	23
Other public works										
Streets (miles)	83.2	83.2	119.6	119.6	119.6	119.6	119.6	119.6	120	120
Highways (miles)	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2	2
Streetlights	3,596	3,596	3,596	3,596	3,596	3,596	3,596	3,661	3,653	3,654
Traffic signals	104	104	104	104	104	105	105	106	106	107
Parks and recreation										
Acreage	93	93	100	100	100	100	100	100	100	100
Community parks	8	8	8	8	8	8	8	8	8	8
Neighborhood parks	6	6	6	6	6	6	6	6	4	4
Mini parks	4	4	4	4	4	4	4	4	2	2
Wastewater										
Sanitary sewers (miles)	85	85	90	90	90	90	90	90	90	91
Pumping (lift) stations	7	7	7	7	7	7	7	7	7	7
Transit - Municipal buses	52	52	52	52	52	54	54	56	56	54

Source: Various city departments